sasol

reaching new frontiers

positive actions

annual financial statements 2009

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Sasol's reporting aims to provide a balanced, understandable, complete and easily comparable view of our business. AR 20F SD FR
Please refer to the back page for further details on Sasol's other reports for the year ended 30 June 2009.

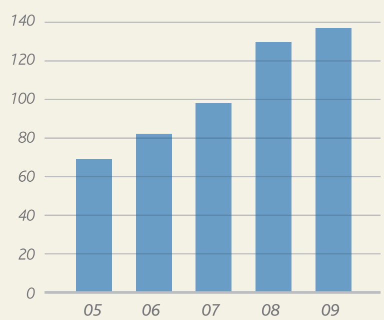
Cover: *Oryx GTL, Sasol's flagship GTL facility in Qatar.*

sasol limited **group**

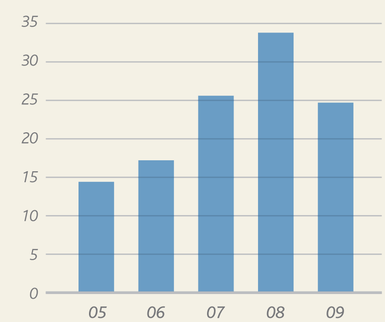
highlights

- Decisive response to global economic downturn
- Cash generated by operating activities of R48 billion
- Excluding once-off charges, operating profit maintained
- Oil hedge cushions impact of sharp decline in oil prices
- Deleveraged balance sheet positions Sasol well to fund growth
- Overall group production volumes up
- Oryx GTL and Arya Sasol Polymers plants performing successfully
- Upstream oil and gas portfolio growing
- Sasol New Energy launched
- Growth projects remain on course

***Turnover** (R billion)*

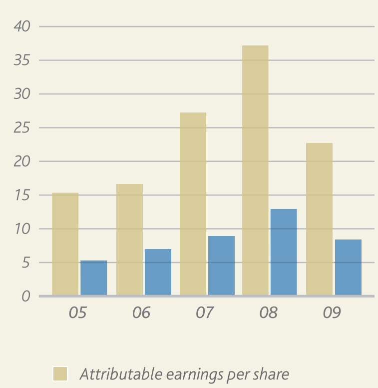


***Operating profit** (R billion)*



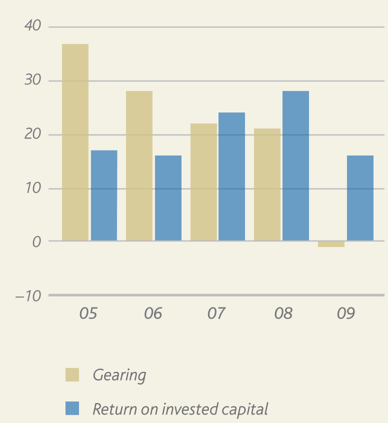
CAGR 2005 – 2009: 14%

***Attributable earnings and dividend per share** (Rand)*



CAGR 2005 – 2009: 12%

***Gearing and return on invested capital** (%)*



chief financial officer's review

positioned to grow

- cash generated by operating activities of R48 billion;
- excluding once-off charges, operating profit maintained;
- oil hedges cushions impact of sharp decline in oil prices;
- deleveraged balance sheet positions company well to fund growth;
- overall group production volumes up; and
- growth projects remain on course.

Christine Ramon, chief financial officer

1. Purpose

Stakeholders are advised to read this review in conjunction with the consolidated annual financial statements presented on pages 44 to 200. The purpose of this review is to provide further insight into the financial performance and position of the group in the context of the environment in which we operate.

2. Economic overview of the regions in which we operate

a. South Africa

Over the past financial year, the South African economy went from bumping against growth constraints to being in outright recession. Constrained household budgets, further sharp declines in new car sales and high levels of vehicle repossessions all contrived to cause petrol demand to contract by more than 2,5%. Demand for middle distillates fell by 5% as activity levels in the industrial sectors of the economy declined even more sharply. A less constrained electricity supply also reduced middle distillate demand for power generation. The fall off in liquid fuel demand was reflected in reduced imports of refined fuel products. During the previous financial year, almost 15% of the country's middle distillate demand was imported compared to only 10% in the current financial year. The equivalent numbers for petrol were 4,5% and 2,5%, respectively.

Although the rand/US dollar exchange rate ended the financial year roughly where it started it, the gap between the strongest level (R7,25)and the weakest level (R11,25) is testimony to the extreme volatility that characterised the currency markets over the year. The average rand/US dollar exchange rate for the financial year was, however, 24% weaker than the prior financial year. This currency weakness was reflected in the local inflation indices and has ultimately spilled over into unit labour cost. Indeed, the recent stickiness in inflation is probably at least partly a reflection of the 10% plus wage settlements that were granted during 2008. A second year of double digit wage settlements is anticipated for 2009. This will likely raise the risk of a wage price spiral with potential medium-term consequences for the equilibrium level of the currency and interest rates.

b. United States of America (US)

In response to the worst recession since the 1930's, the US consumer has embarked on the road of balance sheet repair that is likely to last several years. A good proxy for this process is the household savings rate which has already risen from zero to approximately 7%. This process will constrain consumer spending in the US and negatively affect the demand for the various chemicals that ultimately end upas consumer goods. It appears that residential construction has stabilised but at a level nearly 80% below the peak of 2006.

The US dollar temporarily benefited from the risk aversion that swept the world during the financial crisis. Towards the end of the financial year, the US dollar once again weakened against the rand on concerns of fiscal sustainability.

c. Europe

The European economy experienced a recession every bit as severe as in the US. The southern European economies exhibited many of the over leveraged consumer characteristics of the US, while the core industrial economies in the north were hit by the sharp decline in world trade. The Euroland policy response was more constrained than in the US, but more protected labour markets also meant that job losses were not as severe as in the US.

d. China

In a sign of the gradual shift in economic power from the west to the east, the Chinese economy appears to be at the forefront of the nascent global economic recovery. The aggressive policy actions, particularly on the fiscal front, and the state apparatus in place to direct that stimulus, have already resulted in a meaningful recovery in industrial and economic activity. The current economic turmoil has put financial market liberalisation on the back burner. However, in time this process will probably resume with a likely concomitant strengthening in the renminbi.

e. Middle East

The countries in the Middle East region grew strongly during the 2008 calendar year but the global crisis and drop in commodity prices is starting to affect the export flows and investment earnings. Economic growth is anticipated to slow from 6% experienced in the 2008 calendar year to around 2,5% in the 2009 calendar year. Spending programmes are expected to be maintained, despite lower oil revenues, which will provide a stimulus to the overall global demand. Through capital injections and various other liquidity measures, the banking authorities have sought to deal swiftly with the emerging problems in the financial sectors in this market.

f. India

The impact of the global economic crisis on Asia, especially emerging Asia like India, has been felt a lot more severely than on other countries due to the region's specialisation in certain sectors and its product mix. India's growth is expected to slow markedly in the 2009 calendar year as a result of the global economic conditions. The past has seen investment growth on the back of favourable credit conditions, however, with a tightening in the credit markets and a lack of liquidity, the investment cycle will have been curtailed severely. The impact thereof would be negative growth on the gross domestic product.

3. *Key risks affecting operating performance and our strategy to address these risks*

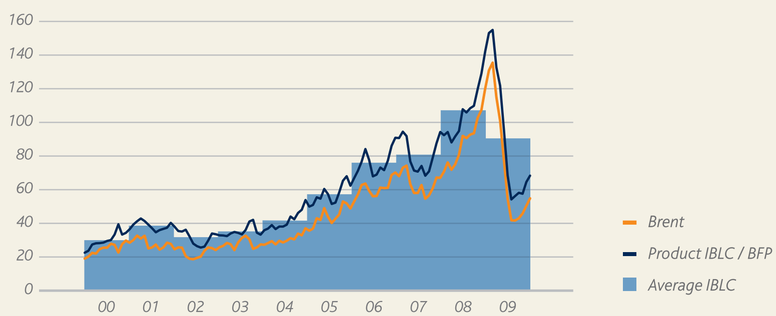
a. Crude oil prices

Our Natref refinery and many of our European chemical businesses use crude oil related raw materials, resulting in their exposure to the crude oil price. In addition, the selling price of fuel marketed by Sasol Oil, which is governed by the basic fuel price (BFP) as regulated by the South African government, creates added exposure. The key factors influencing the BFP are the crude oil price, rand/US dollar exchange rate and the refining margin typically earned by coastal refineries.

Sasol Synfuels uses a pricing mechanism for its raw materials supplied to the South African chemical business which matches the BFP. The price charged is the value that Sasol Synfuels could earn by converting these products to fuel and selling it at the BFP.

Over the last three years, the crude oil price has increased significantly. This increase was attributable to the rapid growth in the Asian economies and their petroleum consumption, coupled with an erosion in excess oil production capacity. However, during the financial year the global economic crisis saw poor demand for petroleum based products resulting in an over supply and a drop in crude oil prices to lows comparable to those of pre-2006. During 2009, the crude oil price displayed unprecedented volatility reaching a high of US$143,95/barrel (b) and a low of US$33,73/b.

Crude oil price (US$/b)



In Bond Landed Cost (IBLC) represented the refinery gate price of fuel in South Africa and was replaced in April 2003 with the Basic Fuel Price.

In order to protect the group against the adverse effects of short-term oil price volatility and rand/US dollar exchange rate fluctuations on the purchase cost of crude oil (approximately 60 000 barrels/day) used in our Natref refinery, a combination of forward exchange contracts and crude oil futures are used. However, this hedging mechanism does not protect the group against longer-term trends in crude oil prices.

We hedge against the downside risk in the crude oil price in order to increase the stability and predictability of our cash flows, considering the group's substantial planned capital investment programme and resulting cash flow requirements and our sensitivity to oil price volatility and currency fluctuations.

We adopted a consistent risk management approach to our sensitivity to the oil price volatility during the 2009 financial year by hedging the equivalent of approximately 30% of Sasol Synfuels' production (16,4 million barrels). A zero cost collar hedge was entered into in August 2008 in terms of which the group was protected at crude oil prices below US$90/b, and benefited from crude oil prices upto US$228/b. A similar crude oil hedge has been entered into for approximately 30% (550 000 barrels) planned production from Sasol Petroleum International's West African output for a range between US$90/b and US$240/b. As a result of the significant decrease in crude oil prices during the 2009 financial year (average dated brent was US$68,14/b in 2009 compared to US$95,51/b in 2008), the settlement of the oil hedges in May 2009 resulted in a net cash inflow of R5 056 million for the year ended 30 June 2009.

Whilst we believe that this hedging strategy has been appropriate in the past, there are other risk mitigation initiatives, such as cost containment, cash conservation and capital prioritisation, which need to be considered in conjunction with this strategy and which have already resulted in benefits to Sasol's balance sheet. At the date of this report, we have not entered into a similar hedge as in the past. This situation is monitored regularly to assess when a suitable time might be to revise this strategy.

In determining the crude oil price for budgeting purposes we review global growth trends in the demand and consumption for oil as well as global production and supply. Prices have risen recently as policy measures have attempted to stabilise the financial systems and global economic recovery. Oil prices are affected by the same optimism driving the equity markets. Market sentiment is generally more positive with the return of risk appetite more visible. The recent run on oil prices and other commodities is based largely on the expectation of the economic recovery. Factors which pushed up the oil price last year have returned, including supply concerns in the market particularly renewed violence in the Niger Delta and political instability in Iran, which could hamper exports from these countries. The Organisation of the Petroleum Exporting Countries (OPEC) has, however, contained production to such levels in an attempt to keep prices from declining further.

We, however, remain more cautious on the short-term outlook and believe that we could see prices rising again in the medium-term. Our view is that in the longer term, the high crude oil prices which we have seen over recent years will generally increase and will not fall to below US$40/b in the short-term. For forecasting purposes, we estimate that for every US$1/b increase in the annual average crude oil price, group operating profit for the year will increase by approximately US$70 million (approximately R572 million) during 2010. This estimate is applicable for a US$70/b crude oil price and a rand/US dollar exchange rate of R8. It should be noted that in the volatile environment that we are currently experiencing, these sensitivities could be materially different than those disclosed, depending on the crude oil price, exchange rates, product prices and volumes.

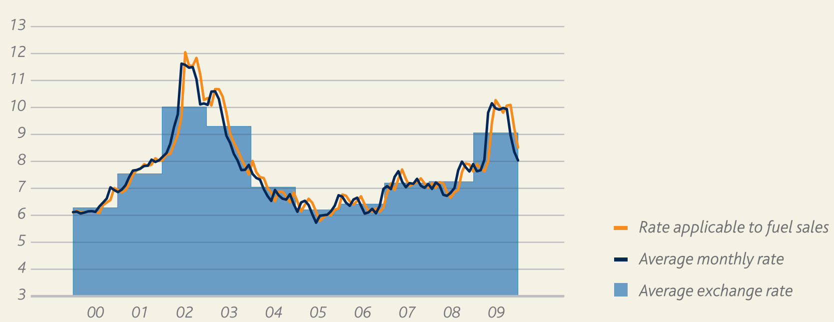
b. Exchange rates

The rand/US dollar exchange rate significantly affects a large proportion of our turnover and capital expenditure. Our fuel products are governed by the BFP of which a significant variable is the rand/US dollar exchange rate. The BFP is revised at the beginning of each month based on the average exchange rate ruling for the preceding month. Our chemical products are commodity products whose prices are largely based on global commodity and benchmark prices quoted in US dollars.

As a result, the average exchange rate for the year has a significant impact on our turnover and operating profit. In order to protect our South African operations from the effects of exchange rate volatility, taking into account the weakening rand over the long-term, we hedge both our capital expenditure and foreign currency denominated imports in excess of US$50 000 per transaction by means of forward exchange contracts. Any forward exchange contract resulting in exposure of R100 million or more requires the pre-approval of our group executive committee (GEC). This hedging strategy enables us to better predict cash flows and thus manage our working capital and debt more effectively.

During the financial year, the average rand/US dollar exchange rate has weakened by 24%, however, testament to the strength of the currency despite its volatility during the year and the global economic crisis, the rand/US dollar exchange rate returned to the same levels seen at the close of the 2008 financial year.

Rand/US dollar exchange rate (US$1 = R)



For budgeting and forecasting purposes, we estimate that a 10c change in the annual average rand/US dollar exchange rate will impact our operating profit by approximately R765 million in 2010. This estimate is applicable for a US$70/b crude oil price and a rand/US dollar exchange rate of R8. It should be noted that in the volatile environment that we are currently experiencing, these sensitivities could be materially different than those disclosed, depending on the crude oil price, exchange rates, product prices and volumes.

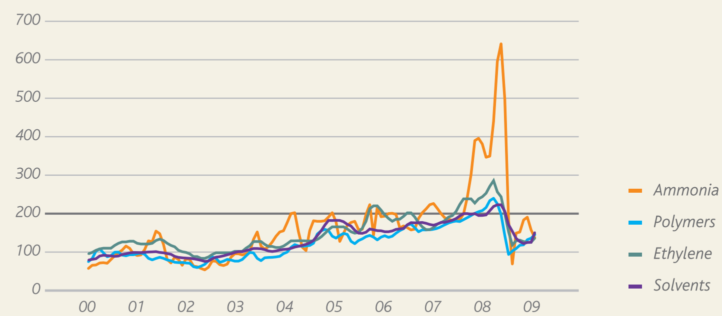
c. Chemical prices

Our chemical products follow a typical demand cycle. Higher demand results in higher prices until new production capacity is introduced, at which point prices decrease. Over the longer term most commodity chemical prices tend to track crude oil based feedstock prices. At times of high prices for crude oil and intermediate products, profit margins benefit the feedstock producer. In times of high chemical prices and lower feedstock prices, profit margins shift to downstream activities. The strategy for our commodity chemicals businesses therefore is, wherever possible, to be invested in the value chain from raw materials to final products. The group has elected not to hedge its exposure to commodity chemical prices as this may in part negate the benefits of such integration into our primary feedstock streams.

However, this integration is not usual in our European and US operations and as a result these businesses are exposed to changes in underlying feedstock prices. To the extent that increases in feedstock costs are not reflected in our selling prices, the margins in these businesses can be adversely impacted. Increased competition from alternative feedstocks may also impact the margins earned in these businesses.

The following graph illustrates the changes in chemical prices off a base in 1997:

***Chemical prices** (expressed as a percentage of July 1997)*



The last three years have seen significant increases in the crude oil price which have impacted the cost of our raw materials. We have been unable to pass all of these increased costs on to our customers. Despite this, we have enjoyed relatively high margins in many of our chemical businesses because of robust demand. During the current financial year, depressed crude oil prices and the global economic downturn resulted in declining chemical prices and as a result margins have been squeezed in the chemical sector.

d. Capital projects

Our industry is a long-term business in which most of our operations, including the gasification of coal and the manufacture of synfuels and petrochemical products, are highly dependent upon the development and use of advanced technologies. A number of our expansion projectsare integrated across a number of our businesses. The decisions affecting our business are made with a time horizon that is measured with a long-term view and that spans multiple and diverse business cycles.

Advanced technologies are tested through a range of economic scenarios to ensure that risks are appropriately identified, evaluated and managed. This approach ensures that our technologies are developed, commercialised and integrated so that the competitiveness of our products, the continuity of our operations, our feedstock requirements and capacity and efficiency of our production is assured. Emphasis is placed on the selection of effective projects, whose execution will deliver maximum return and asset value for our stakeholders.

In the short-term, our capital expenditure will be prioritised to that which can be funded through cash generated from operating activities. This prioritisation has been necessitated by the lack of liquidity in the debt markets. Our capital expenditure programme is being monitored on a continuous basis to ensure that projects which are beneficial to the long-term growth of the group are advanced.

e. Credit market risk

The effects of the sub-prime credit crisis have continued to adversely impact the international debt capital markets and other financial markets. Banks continue to revise their liquidity requirements, creating stricter lending criteria, which is significantly increasing the cost of new debt. Sasol's strong balance sheet and free cash flow during this year has meant that we have not been reliant on external funding. Further, our cash conservation approach, our cost containment strategy and suspension of our share repurchase programme have further strengthened our balance sheet. However, our significant investments in our capital expansion programme could alter this position despite us having reduced our planned expenditure to pipeline growth projects. The situation is monitored on a continual basis as part of our enterprise risk management activities and we will respond to ensure appropriate liquidity is maintained. Appropriate liquidity and committed funding facilities are also an essential part of retaining our investment grade rating with the ratings agencies.

f. Current economic climate and its impact on Sasol

i. Change in WACC rate

Due to the volatility of financial markets, the resultant lack of liquidity in debt markets and the increased cost of debt, the trend for companies globally has been to delay their capital expenditure programmes. These constraints, together, with the view by international investors that South Africa and other emerging markets remain risky, have impacted negatively on the cost of capital. As a result in March 2009, the Sasol Limited board approved a revised Weighted Average Cost of Capital (WACC) for South Africa from 11,75% to 13,25%, as well as those countries in which Sasol invests (refer 11 (c)).

ii. ***Impairments***
With the revision of the WACC rate and current economic conditions which have adversely affected our businesses, it was necessary to conduct impairment reviews on our cash generating assets for the year under review to determine whether the carrying value of our assets is recoverable. In assessing these economic valuations, current market conditions, our latest budgets and the life cycle of the various products are taken into consideration. Whilst the actual outcomes may differ significantly from our forecasts, thus affecting our assessment of future cash flows, management has applied their judgement in making these assessments based on the best information available at the time. In addition, the outcomes have been tested against a range of economic scenarios particular to the circumstances of the business concerned. As a result, impairments of R458 million have been recognised for the year ended 30 June 2009, primarily affecting the Chemical cluster.

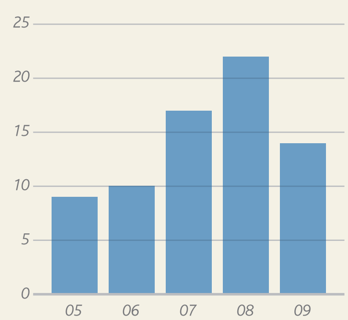
iii. ***Recoverability of receivables/credit management***
Uncertain economic times have placed a significant burden on those customers with whom we do business. Ensuring that our exposure to those customers faced with negative impacts of declining economies is limited, is a continued focus of our credit management process. The recoverability of our receivables is managed across the group through a rigorous review to ensure that our exposure is limited in these uncertain times. This focused risk approach has stood us in good stead during the year where we have recognised limited write offs related to bad debts resulting from the current economic climate.

iv. ***Net realisable value write downs in inventory***
The current market, particularly in the construction and automobile industries, has seen a supply of product not matched by equal demand as prices dropped during the year. The valuation of this inventory, taking into account the crude oil and exchange rate effects, especially the strengthening of the rand/US dollar at year end to levels seen at the beginning of the financial year, has resulted in net realisable value write downs during the financial year.

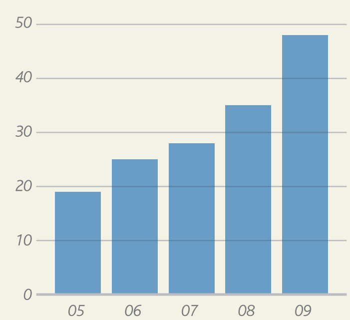
4. Financial performance

We measure our financial performance in terms of various financial ratios. These ratios relate to a number of performance areas, including earnings growth, gearing and cash flow generation and are provided below for the year under review:

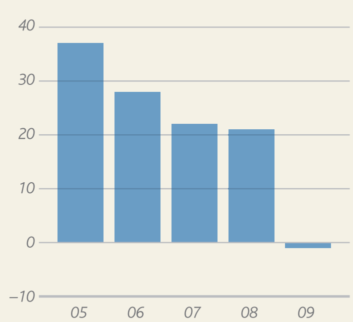
Profit attributable to shareholders *(R billion)*



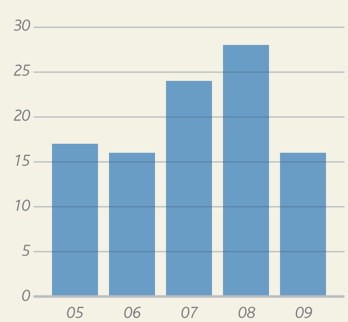
Cash generated from operating activities *(R billion)*



Gearing *(%)*



Return on invested capital *(%)*



5. *Effect of significant changes in accounting principles*

During the 2009 financial year, we adopted a number of new accounting standards as set out in our accounting policies. These newly adopted standards did not significantly impact our financial position and results.

6. *Black economic empowerment (BEE) transactions*

a. Sasol Inzalo share transaction

Last year, we proudly announced our broad-based BEE transaction to transfer beneficial ownership of 10% of Sasol Limited's issued share capital to employees and a wide spread of black South Africans (BEE participants). This transaction will provide long-term sustainable benefits to all participants and will have a tenure of 10 years. The following BEE participants will acquire indirect or direct ownership in Sasol's issued share capital as follows:

- Sasol employees and black managers through the Employee Trusts – 4,0%;
- The Sasol Inzalo Foundation – 1,5%;
- Selected participants – 1,5%; and
- The black public through:
  - The funded invitation – 2,6%; and
  - The cash invitation – 0,4%.

The transaction was concluded during the 2009 financial year, when the black public invitations closed on 9 July 2008, resulting in the issue of 16,0 million Sasol preferred ordinary shares and 2,8 million Sasol BEE ordinary shares to the black public. An amount of R2 435 million has been recognised in the income statement and in the share-based payment reserve in the statement of changes in equity in respect of the share-based payment expense related to the shares issued to the black public at 30 June 2009. The preference shares issued to the financiers in respect of the black public have been recognised in the statement of financial position at an amount of R4 515 million, including accrued finance charges. The C preference shares issued to the financiers, included in the aforementioned amount, have been guaranteed by Sasol Limited. Deferred loan costs of R22 million have also been recognised in the statement of financial position.

In addition to the above, the following amounts were also recognised for the year ended 30 June 2009 in respect of the Inzalo share transaction:

- An amount of R767 million has been recognised in the income statement and in the share-based payment reserve in the statement of changes in equity in respect of the share-based payment expense related to the Employee Trusts. The amount in respect of the Employee Trusts represents the current year's expense taking into account the vesting conditions of the rights granted over the tenure of the transaction.
- No additional share-based payment expense has been recognised in respect of the selected participants as no further agreements were concluded during the current financial year with this group.

The preference share funding comprises A, B and guaranteed C preference shares which are funded by external financiers and D preference shares funded by Sasol. The funding companies are required to maintain, inter alia, minimum share cover ratios in respect of the A and B preference shares, being the ratio between the value of the Sasol preferred ordinary shares and the amount required to redeem the preference shares. The maintenance of the ratio is dependent upon the Sasol ordinary share price and the dividends paid by Sasol on the Sasol preferred ordinary shares. Sasol has call options to purchase some or all of the outstanding A, B and C preference shares. Currently, the minimum share cover ratio will be breached when the Sasol ordinary share price falls below approximately R210 per share and R191 per share, in respect of the selected participants and black public, respectively. The share cover ratios decrease over time with the amortisation of the preference shares. In addition, a further condition to the guaranteed C preference shares is that the Sasol group must maintain a net debt to earnings before interest, taxation, depreciation and amortisation cover ratio of 2,5 times.

Should the preference share covenants described above be breached, Sasol will be required to raise the necessary funding in order to either exercise the call options or alternatively, honour the call under the C preference shares guarantee. This series of calloptions will allow Sasol to step into the position of the banks to avert an event of default. Further, Sasol may also subscribe for E preference shares to place sufficient funds in the Inzalo entities in order for them to buyback the required number of A, B or C preferenceshares to comply with their financing obligations. The aforementioned actions will ensure the sustainability of the Inzalo transaction over the 10 year period of the transaction.

The Sasol Inzalo share transaction has been concluded in the long-term interests of our shareholders and is not envisaged to negatively impact the group's growth strategy or the returns to our shareholders.

b. Sasol Mining BEE transaction

As we have reported previously, Sasol Mining, a wholly-owned subsidiary of Sasol Limited, announced the formation of a black-women controlled coal mining company called Ixia Coal (Pty) Limited (Ixia). Ixia, in a transaction valued at approximately R1,9 billion, would acquire20% of Sasol Mining's share capital through the issue of new shares financed through equity (R47 million) and a combination of third party funding and appropriate Sasol facilitation. The funding arrangements have now been concluded and finalisation of the transaction is subject to the conversion of Sasol Mining's mining rights and obtaining the requisite regulatory approvals. As the transaction is not yet effective, it has not yet been accounted for.

The first phase of the Sasol Mining BEE strategy was implemented through the creation of Igoda Coal (Pty) Limited (Igoda) in March 2006. This phase of the strategy received a setback when a notice of intention to withdraw from the transaction was given by our partner, Exxaro Coal Mpumalanga. Sasol Mining is actively pursuing alternatives to ensure that their BEE strategy remains intact. Currently, Sasol Mining remains in compliance with the Mining Charter and will be in compliance with the Charter by 2014.

7. *Operating performance*

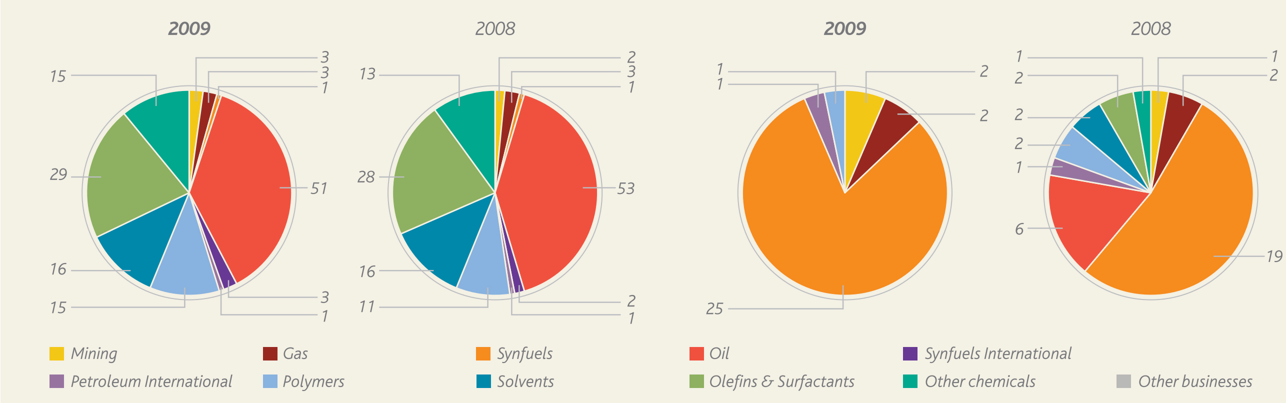
The key indicators of our operating performance during the year were as follows:

		2009 Rm	**% change**	2008 Rm	% change	2007 Rm
Turnover		**137 836**	**6**	129 943	32	98 127
Gross margin		**65 514**	**(3)**	67 428	34	50 247
Cash fixed costs		**33 723**	**38**	24 491	15	21 372
Current operations		**28 234**		23 185		19 722
Once-off items and growth initiatives		**5 489**		1 306		1 650
Non-cash costs		**5 922**		2 432		(532)
Operating profit		**24 666**	**(27)**	33 816	32	25 621
Operating profit margin	%	**18**		26		26
Operating profit margin before once-off charges	%	**24**		28		25
Profit attributable to shareholders		**13 648**	**(39)**	22 417	32	17 030
Earnings per share	Rand	**22,90**	**(39)**	37,30	36	27,35
Headline earnings per share	Rand	**25,42**	**(33)**	38,09	50	25,37

The composition of turnover and operating profit by cluster is set out below:

Turnover *(R billion)*

Operating profit *(R billion)*



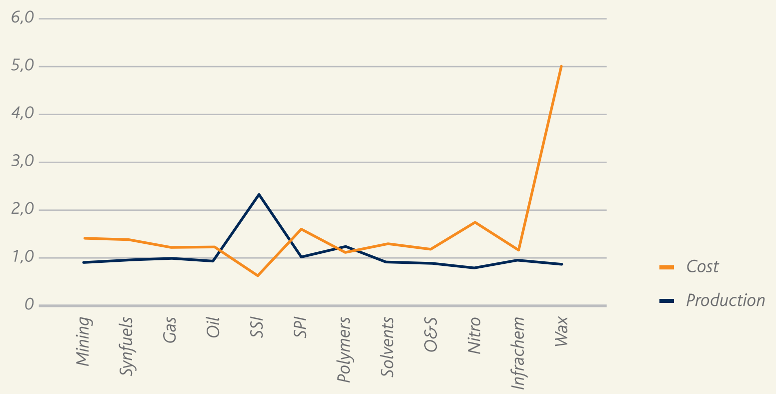
a. Trend analysis

Turnover has increased by 6%, operating profit has decreased by 27% and profit attributable to shareholders has decreased by 39% for this year, respectively. This has primarily resulted from the decrease in the crude oil price and refined product prices as well as lower volumes which were partly negated by a weakening rand/US dollar exchange rate.

This trend has most notably impacted our Chemicals cluster which has delivered an operating loss, excluding once-off remeasurement items, for the first time in three years. Low product margins, coupled with weakened demand, have prevented us from passing costs through to our customers. Had the competition fines been excluded, our Chemicals cluster would have delivered a profit for the year. Our joint ventures, Oryx GTL and Arya Sasol Polymers, have both performed well during this period and contributed positively to the SSI and Polymers businesses, respectively. Sasol Oil has made an operating loss, for the first time, due to negative stock effects resulting from the rapid fall in crude oil prices and timing of the BFP adjustments.

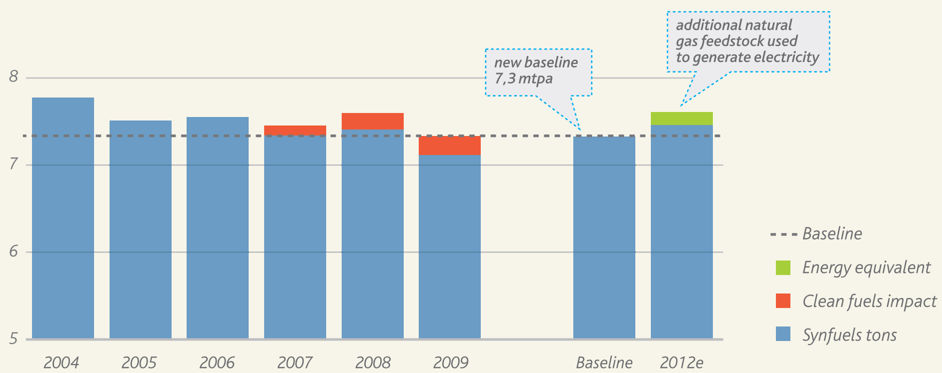
Below is the increase in the cash fixed cost per unit and production volumes per business unit indexed to the 2008 financial year:

***Cost and production volumes** (index)*



The following illustrates the Sasol Synfuels' annual volume profile against a historical baseline:

***Pre clean fuels/post clean fuels** (million tons per annum)*



b. Year-on-year comparison

Operating profit has decreased by 27% (R9 150 million) in 2009 and increased by 32% (R8 195 million) in 2008 and 49% (R8 409 million) in 2007.

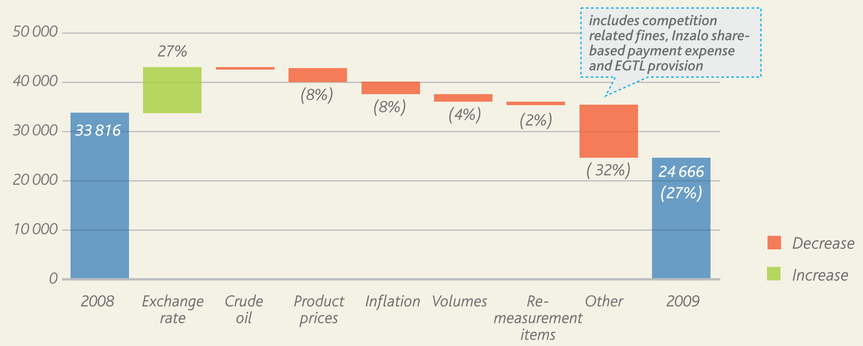
The movement in the reported operating profit is attributable to the following primary drivers:

	2009		2008		2007	
	Rm	**%***	Rm	%*	Rm	%*
Foreign currency effects	**9 187**	**27**	2 500	10	3 935	23
Crude oil#	**(115)**	**–**	2 430	9	1 022	6
Product prices	**(2 688)**	**(8)**	9 925	39	1 732	10
Inflation on cash fixed costs	**(2 586)**	**(8)**	(3 105)	(12)	(1 780)	(10)
Volume and other productivity effects	**(12 178)**	**(36)**	(1 717)	(7)	(1 912)	(11)
Effect of remeasurement items	**(770)**	**(2)**	(1 838)	(7)	5 412	31
(Decrease)/increase	**(9 150)**	**(27)**	8 195	32	8 409	49

* Reported as a percentage of operating profit of the prior year.
\# Includes the effect of the crude oil hedge.

The increase in operating profit over the last year can be graphically depicted as follows:

Operating profit – price volume variance analysis (R million)

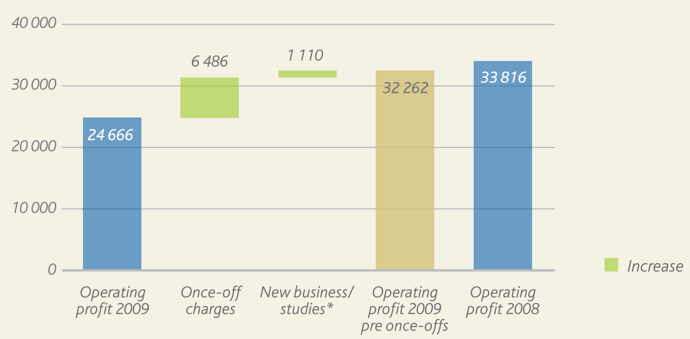


The decrease in crude oil prices and the related impact on product prices contributed significantly to the decrease in operating profit. This decrease was partially offset by the weakening of the rand/US dollar exchange rate. Further, the positive contribution of start-up businesses, including Arya Sasol Polymers and the Oryx GTL plant, have further reduced the negative effects of the economic crisis and the reduced Synfuels volumes on our operating profit.

The operating profit includes the cash inflow from the Synfuels and SPI oil hedge of R5 056 million partially offset by the once-off provision of R1 280 million recognised in respect of the Escravos GTL (EGTL) project in Nigeria as well as by the Sasol Wax fine of R3 678 million.

Excluding the impact of once-off charges and new business/study costs, including the competition related fines of R3 947 million, the remeasurement items of R1 469 million and the Inzalo share-based payment expense of R3 202 million, operating profit was maintained:

Maintaining operating profit, excluding once-off charges and new business/study costs (R million)



* Additional cost year-on-year.

c. Cash fixed costs – price volume variance analysis

Being primarily a commodity business, we aim to control and maintain our cash fixed costs within inflationary levels on a year-on-year basis. The South African Producers Price Index (SA PPI) averaged at 9,1% (2008: 11,5%) for the past financial year whereas the South African Consumer Price Index (SA CPI) averaged at 10,2% (2008: 9,3%). This strategy may be impacted by:

- Investment in safety and plant maintenance;
- Labour costs which escalate beyond inflationary levels;
- Costs incurred on growth initiatives, new projects and capacity expansions; and
- Currency effects.

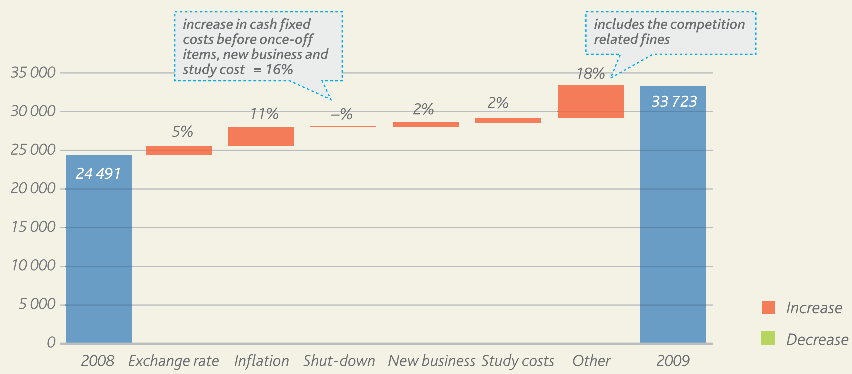
The factors causing an increase in our cash fixed costs over the last year are as follows:

	2009 Rm	%*
Cash fixed costs	**33 723**	38
Less once-off items and growth initiatives	**5 489**	22
Other#	**4 356**	
Once-off impact of shut down maintenance	**23**	
Study costs	**583**	
New business and growth initiatives	**527**	
Total cash fixed costs excluding once-off items and growth initiatives	**28 234**	16
Exchange rates	**(1 202)**	(5)
Total cash fixed costs excluding once-off items, growth initiatives and currency effects	**27 032**	11

* *Reported as a percentage of cash fixed costs of the prior year.*
\# *Includes the competition related fines.*

The year-on-year increase in cash fixed costs can be graphically depicted as follows:

Cash fixed costs – price volume variance analysis *(R million)*



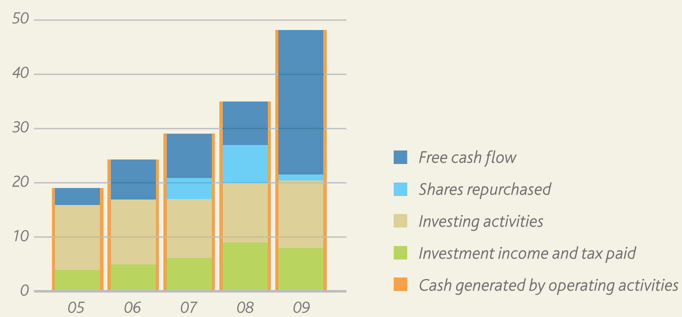
Our cash fixed costs have increased at a rate higher than inflation, excluding the effects of once-off costs and growth initiatives. SA PPI is more relevant to our Synfuels and Mining businesses.

Our cash fixed costs have seen abnormal increases above inflationary levels during the current year, especially with respect to the cost of electricity at our South African operations. Whilst we are able to generate nearly a third of our electricity requirements, the South African state owned electricity provider, Eskom, increased average annual electricity tariffs by 27,5% in June 2008. Eskom has again been granted a further 31,3% average tariff increase in June 2009, which will have a material adverse effect on our cash fixed costs in the future. Further, a weaker average rand/US dollar exchange rate has negatively impacted our cash fixed costs during the current financial year.

8. *Cash flow analysis*

		2009 Rm	2008 Rm	% change	2007 Rm	% change
Cash generated by operating activities		**48 187**	34 740	39	28 432	22
Additions to non-current assets		**15 672**	10 855	44	12 045	(10)
(Decrease)/increase in debt		**(1 056)**	(1 132)		852	
Dividend per share	(Rand)	**8,50**	13,00	(35)	9,00	44
Free cash flow		**27 681**	15 281	81	11 695	31

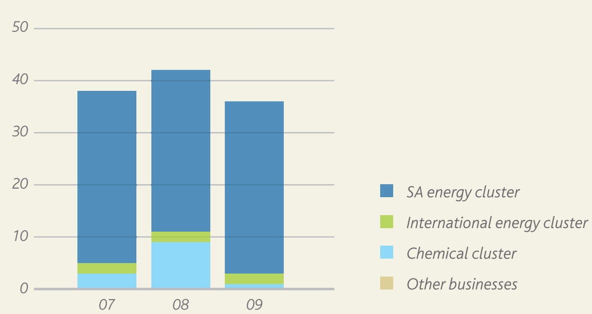
Free cash flow (R billion)



a. Cash generated by operating activities

We have generated R48 billion cash from operating activities in 2009 and over the last three years we have generated an average of R37 billion cash per annum from operating activities.

Cash flow from operations (R billion)



Our most significant contributor to cash generated by operating activities is Sasol Synfuels, which is also the biggest contributor to the group operating profit. In the past, all our chemical business units have generated positive cash flow from their operating activities. During the current year, however, due to the global economic conditions, product prices in our chemical businesses have been suppressed. The situation has been further aggravated by a lack of demand in the construction and automotive industries. During the 2009 financial year, we have seen these businesses being cash flow negative from their operating activities.

Our working capital requirements have decreased during the 2009 financial year compared to the increases which we have seen in the prior years. Both inventory and trade receivables were valued at the higher product prices experienced towards the end of the previous financial year. Significant cash resources have been made available due to the unlocking of working capital which was previously tied up in these balances, strongly assisted by the reduction in the crude oil prices and the resultant product prices. Inventory has also benefited from lower volumes and inventory write downs. We have entered into a cash conservation mode to better position the company in tough credit markets. The focus has been on strengthening our working capital management, especially credit exposure, and fixed cash cost containment.

We firstly apply cash generated from operating activities to repay our debt and tax commitments and then provide a return to our shareholders in the form of dividends. Remaining cash is used to fund our capital investment programme. Any shortfall in the funding of our capital expenditure programme will be funded from borrowings. As a result, this could negatively impact our gearing ratio. Our share repurchase programme has been suspended at this time.

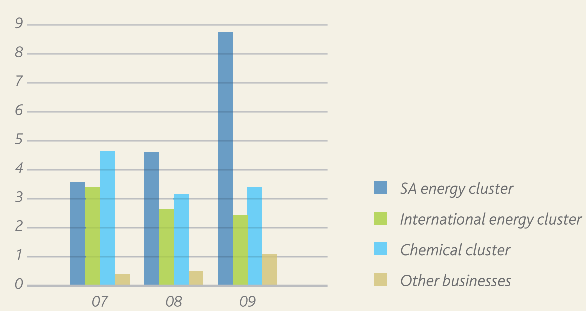
b. Cash invested in capital projects

The central treasury funds all capital projects of the group which are executed by wholly-owned subsidiaries. The central treasury in turn is funded by means of a group cash pooling system. The central treasury's net funding requirement is raised from the local and international debt markets and takes into account the group's self imposed targeted gearing range, which is between 20% and 40%.

Where projects are executed in partnerships and in foreign jurisdictions, particularly those where an element of political risk exists, project finance is used as a development tool to mitigate such risk as well as geographic and concentration risk and to some extent, liquidity risk. This view is based on the principle that if an economically viable project has been developed using a sound project finance risk allocation approach, it is likely to be funded in the international markets. Our capital expenditure programme has been reviewed and reprioritised in light of our cash conservation approach. We have reprioritised our capital expenditure for the next two years to about R15 billion per annum. We continue to maintain a flexible approach to our capital expenditure programme, ensuring that our pipeline of growth projects is not affected, and our pre-investment continues unabated ensuring that our long-term shareholder value proposition remains intact.

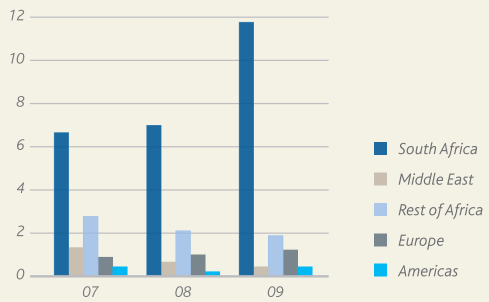
Over the last three years, the group has invested a total of R39 billion in capital projects, with R16 billion being invested in 2009. This amount relates primarily to the investment in Synfuels' open cycle gas turbines and 16th oxygen train, exploration drilling at offshore Block 16 and 19 in Mozambique and various other small projects.

***Additions to non-current assets** (R billion)*



We have focused our investments in projects in the last three years primarily in South Africa, Nigeria, Iran and Qatar.

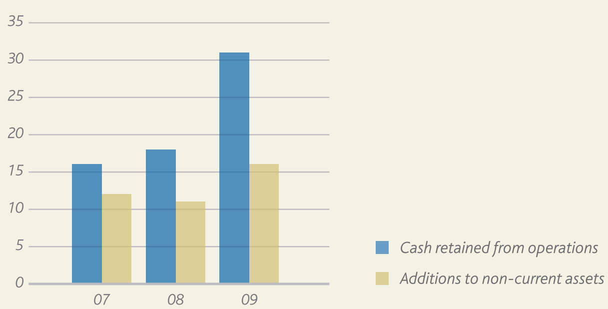
***Additions by geographic region** (R billion)*



Further detail of our additions to our non-current assets is provided in notes 3, 4 and 6 to our financial statements.

c. Cash utilisation

***Cash utilisation** (R billion)*



During the last three years, cash retained from operating activities has exceeded the cash expenditure on our capital investment programme. In addition to dividends, we have returned cash to shareholders in form of the share repurchase programme. Cash generation from operating activities in the last three years has contributed to the reduction in the group's overall debt and gearing.

9. Debt

Our debt is made up as follows:

	2009 Rm	2008 Rm	2007 Rm
Long-term debt	**17 887**	16 803	16 434
Short-term debt	**490**	2 375	2 546
Bank overdraft	**80**	914	545
Total debt	**18 457**	20 092	19 525
Less cash	**19 425**	4 435	5 987
Net (cash)/debt	**(968)**	15 657	13 538
(Decrease)/increase in funding	**(1 056)**	(1 132)	852

a. Debt profile

Our long-term capital expansion projects are financed by a combination of floating and fixed rate long-term debt. This debt is normally financed in the same currency as the underlying project and the repayment terms are designed to match the cash flows expected from that project.

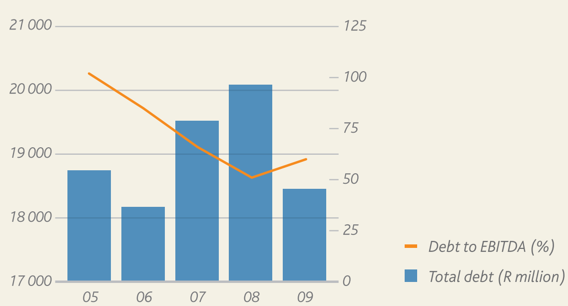
Our debt profile has a longer term bias, which reflects both our capital investment programme and the overall positive results generated by our operating activities over the last three years. At 30 June 2009, the ratio of long-term debt to short-term debt of 97:3 has decreased from 84:16 at 30 June 2008.

Our debt exposure at 30 June analysed by currency was:

	2009 Rm	2009 %	2008 Rm	2008 %	2007 Rm	2007 %
Rand	**11 928**	**65**	9 000	45	7 679	39
US dollar	**314**	**2**	2 769	14	3 505	18
Euro	**5 761**	**31**	7 623	38	7 749	40
Other	**454**	**2**	700	3	592	3
Total debt	**18 457**	**100**	20 092	100	19 525	100

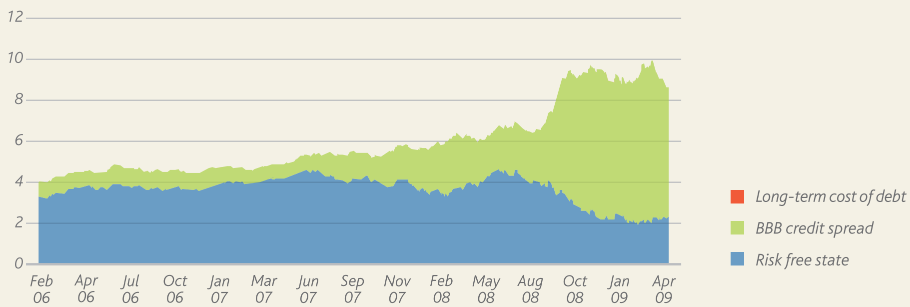
During the year, our debt increased primarily as a result of the issue of preference shares amounting to R4 195 million in respect of the conclusion of the black public offering of the Sasol Inzalo transaction, which have been classified as debt. The increase indebt was offset by repayments of debt totalling R6 911 million for the year.

Debt to EBITDA



In the current illiquid credit markets, the cost of debt has become more expensive as illustrated below:

***Cost of debt spread** (cost of debt %)*



b. Credit ratings

Our credit rating is influenced by some of our more significant risks which include the crude oil price volatility, our investments in developing countries and their particular associated economic risks, the potential for significant debt increase and the execution challenges associated with a number of our planned gas-to-liquids (GTL) and coal-to-liquids (CTL) projects if they materialise simultaneously, as well as the risks arising from potential increases in capital costs associated with these projects.

Our foreign currency credit rating according to Moody's is Baa1/stable/P-2/stable and our national scale issuer rating is Aa3.za/P-1.za. The latest credit opinion on the group was published on 8 February 2008, and no subsequent revisions have been made. It is anticipated that this will be updated during the latter part of the 2009 calendar year.

Following the revision of the Republic of South Africa's outlook to negative, Standard and Poor (S&P) adjusted the group's credit rating on 13 February 2009. Our foreign currency credit rating according to S&P is BBB+/negative/A-2 and our local currency rating is A+/negative/A-1. It is anticipated that this will also be updated during the latter part of the 2009 calendar year.

The group's financial strength remains unparalleled in today's trying economic times representing a unique competitive advantage. Our rating is underpinned by, amongst others, our strong position as one of South Africa's blue chip companies and a leading fuels producer, our history of profitability and free cash flow from South African operations, our technological know-how as well as our prudent financial policies. Our unique capabilities are recognised by project partners, including host governments, who benefit from our financial strength and the expertise we bring to the development of resources.

c. Strategy for mitigation of interest rate risk

We limit our hedging activities in respect of debt to two primary instruments – cross currency swaps and interest rate swaps.

Our debt is deliberately structured using a combination of floating and fixed interest rates. To manage this ratio, we issue fixedrate debt such as the Eurobond, as well as using interest rate swaps to convert some of our variable rate debt to fixed rate debt. Insome cases, we have also used an interest rate collar, similar to our crude oil hedge instrument, which enables us to take advantageof lower variable rates within a range whilst affording the group protection from the effects of higher interest rates.

Our debt exposure, after taking into account the interest rate swaps, to fixed and variable rates is as follows:

	2009 Rm	**2009 %**	2008 Rm	2008 %
Fixed interest rates	**7 629**	**41**	9 046	45
Variable interest rates	**10 185**	**55**	10 409	52
Non-interest bearing	**643**	**4**	637	3
Total debt	**18 457**	**100**	20 092	100

Our cross currency swaps are applied in certain cases where the debt is denominated in one currency while the application of that debt is in a different currency. An example is our Eurobond, denominated in euro, which has been swapped by means of a cross currency swap into rand, as the group has utilised this debt in South Africa.

To limit the group's total exposure to interest rate risk, we have adopted a gearing policy that requires us to manage our gearing within a targeted range of 20% to 40%, described in detail below.

10. Shareholding and equity

a. Shareholding

During the year, we were pleased to launch our Sasol Inzalo share transaction. This transaction saw the issue of 25,2 million ordinary shares to the Sasol Inzalo Employee and Management Schemes, 9,5 million ordinary shares to The Sasol Inzalo Foundation and 9,5 million preferred ordinary shares to the selected participants. The transaction concluded in July 2008, with the issue of 16,0 million Sasol preferred ordinary shares and 2,8 million Sasol BEE ordinary shares to the black public.

Trading activity of our shares on the NYSE continued to increase year-on-year whilst activity on the JSE Limited remained flat. It is worth noting that due largely to ADR selling there was a decline in US shareholding compared to the prior year.

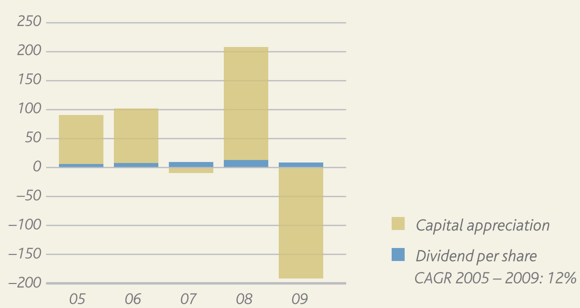
The percentage of shares held by non-South African residents at 30 June 2009, declined to about 34,5% from 36% at 30 June 2008 and is now similar to that at 30 June 2006 of 34,5%.

b. Shareholder return

The increase in our share price has resulted in the return provided to our shareholders, in the form of both dividends and share price appreciation, increasing significantly over the last five years.

A shareholder who purchased a Sasol share on 30 June 2005 at R180,80 would have received R37,60 in dividends and earned R89,18 in capital appreciation until 30 June 2009, based on a closing share price of R269,98 per share on this date, representing a compound annual growth rate of 11%.

***Shareholder return per annum** (Rand)*



c. Share repurchase programme

During 2007, the share repurchase programme was reactivated, through our wholly-owned subsidiary Sasol Investment Company (Pty) Limited. At our annual general meeting in November 2008, our shareholders again renewed the authority for a further 15 months to buy back up to 4% of our issued ordinary share capital. Since inception of the programme in March 2007, we have repurchased 40 309 886 shares at an average price of R299,77 per share, representing 6,39% of our issued ordinary share capital, excluding the Sasol Inzalo share transaction. During the period, 31 500 000 ordinary shares of the repurchased shares were cancelled for a total value of R7,9 billion. Sasol Investment Company (Pty) Limited holds 8 809 886 ordinary shares. The shares repurchased are reflected as treasury shares, resulting in our issued share capital at 30 June 2009 amounting to 637 495 216 ordinary shares of no par value, 25 547 081 preferred ordinary shares of no par value and 2 838 565 BEE ordinary shares of no par value, totalling R27 billion.

d. Dividends

Our policy is to pay a dividend to shareholders twice a year (interim and final), which should be covered between 2,5 and 3,5 times by our earnings over the long-term. In determining the dividend, we take cognisance of potential re-investment opportunities within the group as well as significant changes in the external economic environment during the period.

Our dividend for the year decreased by 35% to R8,50 per share, which represents a dividend cover of 2,8 times, compared to R13,00 in 2008 and R9,00 in 2007.

Since listing in 1979, Sasol has for the first time, although still in line with our dividend policy, paid a dividend lower than the previous year. Given the volatility and the uncertainty in the current economic climate, it was felt that this was in the best interests of the company's growth strategy and the preservation of long-term shareholder value.

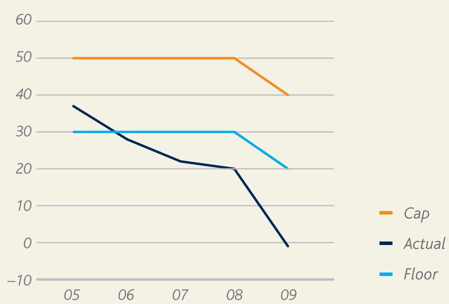
11. *Financial strategies and targets*

We have defined a number of targets to measure our financial performance. We continually monitor our performance against these targets and, when necessary, revise them to take into account changes in the group's strategic outlook.

a. Gearing

Historically we have aimed to maintain our gearing (net debt to equity ratio) within a range of 30% to 50%. Our gearing level took cognisance of our substantial capital investment and susceptibility to external market factors such as crude oil prices, commodity chemical prices and exchange rates. In response to the global economic crisis, we have lowered our targeted gearing range to 20% to 40%.

Gearing (%)



During the 2007 and 2008 financial years, the strong cash flows generated by our South African energy business, resulted in our gearing levels dropping to below our self-imposed preferred range. Our share repurchase programme was suspended during the current financial year, and together with our cash conservation approach, we have seen our gearing level drop further below this range. This low level of gearing is expected to be maintained in the short-term however over the medium- to longer-term horizon, in anticipation of our large capital intensive expansion programme, we expect that our gearing level will again return to within our targeted range.

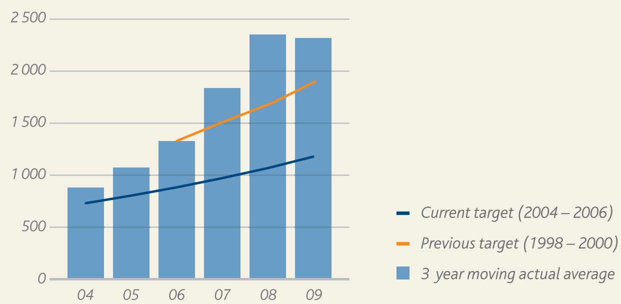
Our healthy balance sheet positions the company well for future growth amidst a tightening of liquidity and uncertain credit markets.

Our gearing increases by approximately 1,2% for every R1 billion of debt raised.

b. Earnings growth

Historically, we have aimed to achieve a 10% earnings growth per annum in US dollar terms on a three-year moving average basis, measured against the 1998 – 2000 base of US$503 million. Our earnings growth since 2000 has exceeded this target every year but we aim for improved consistency and more stable and predictable performance. However in the light of crude oil and rand/US dollar price volatility, this has not always been possible. During 2007, we revised our target to apply to the base years of 2004 – 2006 of US$1 329 million. We exceeded the three year moving average target during the current year, achieving an annual decrease of 2% (2008: increase of 28%).

US$ earnings growth *(US$ million)*



c. Targeted return on capital investment

In general, approximately 80% of all new capital investment projects are required to provide a targeted return in excess of 1,3 times our WACC, which is currently 13,25% in South Africa in rand and 7,75% in Europe and the USA in US dollars. This rate of return does not apply to sustenance capital expenditure on existing operations, in particular environmental projects that are typically difficult to demonstrate economic viability.

Our targeted returns in excess of 1,3 times WACC was selected for two main reasons. To take into account that certain capital projects, as described above, do not generate a return and therefore lower the overall return on assets, and to ensure that the group only targets capital investment projects that meet the economic performance required by our stakeholders, while providing a buffer for changes in economic conditions applicable to the asset.

12. Key challenges and opportunities for the next year

We are confident that we can apply resources and expertise to convert these challenges in the next year into opportunities.

a. In pursuit of operational and functional excellence

The past financial year has not been an easy one and the year ahead promises to be one with the volatility in the markets continuing. Some optimism has returned to the markets with the assistance provided through the bail out packages seen in the US. The continued recognition of losses in the financial markets has caused the credit availability in the market to remain constrained. The volatility in both the crude oil price and exchange rates make it challenging to accurately set targets for the forthcoming year.

Our focus remains on sustainable unit cost reduction and efficiency improvement through our operational and functional excellence initiatives. We have begun realising benefits from opportunities that the current environment presents in our procurement strategy and the renegotiation of contracts. Cost containment strategies are in place and beginning to bear fruit. These disciplined actions are essential in these times. Working capital improvements across the group are positively impacting the group's cash flow. These measures, together with a reprioritisation of our capital expenditure programme, are contributing to a strong balance sheet. However the capital expenditure prioritisation will not affect our pipeline growth projects, where our pre-investment studies will continue unabated. Our projects are rigorously reviewed to ensure that all the risks are appropriately identified and managed accordingly. Growth is essential to sustain the business into the future.

Preserving our balance sheet's flexibility in a time of constrained financial markets is critical for our growth phase.

b. Doing business better

A business cannot succeed and be sustainable in the future without having appropriate governance measures in place. Our business is supported by comprehensive compliance and risk management processes. Good corporate governance, strong business controls and high ethical standards are essential for sustainable business in today's environment. Recent years have seen the lack of strong internal corporate governance and internal controls being the downfall of many companies. Inappropriate behaviour cannot sustain success and will not deliver stakeholder value in the long-term. It is non-negotiable that all employees, officers and directors comply with these minimum standards.

Sasol fosters a culture of doing business better and excellence in all we do. We continuously strive for improvement and in governance this attitude prevails as has been evident in our review of competition compliance matters.

c. Implementation of Mining BEE

As noted above the Ixia transaction is reaching its conclusion. Application has been made to the Department of Mineral Resources for approval of the transaction and the granting of the associated new order mining rights. All conditions precedent to this transaction will then have been completed. The transaction is expected to be concluded in 2010.

With the developments of the Igoda transaction, Sasol Mining is focused on building operational capacity within the mining sector and working closely with Ixia.

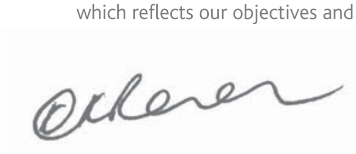
13. Conclusion

In line with the economic climate of suppressed and volatile market conditions experienced during the financial year, the results delivered reflect the current market conditions. The significantly lower than expected crude oil and product prices, as well as lower product demand was partially negated by a weakening in the rand/US dollar exchange rate, the crude oil hedges and increased production volumes at Arya and Oryx. We have continued to pursue attractive growth projects whilst focusing on improving on operational efficiencies, working capital improvements and cost containment strategies. Our strong balance sheet is testament to this focused approach.

We look forward to the year ahead which promises both interesting opportunities and challenges. However, current volatility and uncertainty in global markets makes it difficult to be more precise in an outlook statement. In future, we expect to maintain our dividend policy within the targeted range of 2,5 times to 3,5 times annual earnings cover.

14. Acknowledgements

Through the dedication and enthusiasm of our financial personnel, we are able to produce quality financial information for our stakeholders, which reflects our objectives and values. I extend my thanks to all for their ongoing support and commitment.



Christine Ramon
Chief financial officer

11 September 2009

corporate governance

Upholding international best practice

Introduction

Sound corporate governance structures and processes are being applied at Sasol. They are regularly reviewed and adapted to accommodate internal corporate developments and to reflect national and international best practice. The company maintains a primary listing of its ordinary shares on the JSE Limited (JSE) and a listing of American Depositary Shares on the New York Stock Exchange (NYSE). The company is accordingly subject to the ongoing disclosure, corporate governance and other requirements imposed by legislation, the JSE, United States (US) Securities and Exchange Commission (SEC) and the NYSE. The company complies with the South African Companies Act, 1973 (the Act), JSE listings requirements and US governance requirements of the SEC, the NYSE and US legislation such as the Sarbanes-Oxley Act of 2002 (SOX) applicable to foreign companies listed on the NYSE. In addition, Sasol has compared its corporate governance practices to those required to be applied by domestic US companies listed on the NYSE and has confirmed to the NYSE that it complies with such NYSE corporate governance standards, in most significant respects. Sasol endorses the principles of the South African Code of Corporate Practices and Conduct as recommended in the second King Report (King II).

Sasol welcomes the code of governance and principles for South Africa as contained in the third King Report (King III) which was launched on 1 September 2009. The board is considering the implications and effect of the King III best practice recommendations which will be effective from 1 March 2010. The board will report on the implementation and application of King III and the new South African Companies Act, 71 of 2008, anticipated to become effective in July 2010, at the end of the next financial year.

The nomination and governance committee and the board of directors (board) continue to review and benchmark the group's governance structures and processes. Sasol is committed to achieving high standards of business integrity and ethics across all its activities. The board considers corporate governance as a priority that requires more attention than merely establishing the steps to be taken to demonstrate compliance with legal, regulatory or listings requirements. Issues of governance will continue to receive the board and its committees' consideration and attention during the year ahead. Sound governance remains one of the top priorities of executive management.

Composition of the board of directors

The company's articles of association provide that the company's board consists of a maximum of 16 directors of whom a maximum of five may be executive directors. Currently, four directors are executive directors ie Mr LPA Davies (chief executive), Ms KC Ramon (chief financial officer), Dr AMB Mokaba and Ms VN Fakude and 10 of the directors are non-executive directors, following the appointment of Messrs MJN Njeke and C Beggs as non-executive directors with effect from 4 February 2009 and 8 July 2009, respectively.

All the non-executive directors, except Mrs TH Nyasulu and Mr A Jain are considered by the board to be independent directors in accordance with King II and the rules of the NYSE. The board is, however, of the view that all non-executive directors bring independent judgement to bear on material decisions of the company.

The offices of chairman and chief executive are separate and the office of the chairman is filled by a non-executive director. Mrs TH Nyasulu became chairman on 28 November 2008, succeeding Mr PV Cox who retired on that date. Mrs Nyasulu has a 1,275% indirect interest in Sasol Oil (Pty) Limited, a subsidiary of Sasol Limited and is accordingly deemed not independent.

In line with international corporate governance best practice, the board appointed Prof JE Schrempp as lead independent director. This is also in line with the recommendations of the recently launched King III. His role will include chairing board meetings when matters pertaining to Sasol Oil (Pty) Limited are dealt with at the board.

In terms of the company's articles of association, the directors appoint the chief executive. Such an appointment may not exceed five years at a time.

Details of directors of the board appear on pages 12 and 13 of the annual review.

Board powers and procedures

The board has adopted a board charter. It provides a concise overview of:

- the demarcation of the roles, functions, responsibilities and powers of the board, the shareholders, individual directors, officers and executives of the company;
- the terms of reference of the board committees;
- matters reserved for final decision-making or pre-approval by the board; and
- the policies and practices of the board for such matters as corporate governance, dealing by directors in the securities of the company, declarations of conflicts of interest, board meeting documentation and procedures and the nomination, appointment, induction, training and evaluation of directors and members of board committees.

Within the powers conferred upon the board by the articles, the board has determined its main function and responsibility as adding significant value to the company by:

a) retaining full and effective control over the company;
b) determining the strategies and strategic objectives of the company and group companies;
c) determining and setting the tone of the company's values, including principles of ethical business practice;
d) bringing independent, informed and effective judgement to bear on material decisions of the company and group companies, including material company and group policies, appointment and removal of the chief executive, approval of the appointment or removal of senior management, capital expenditure transactions and consolidated group budgets and company budgets;
e) satisfying itself that the company and group companies are governed effectively in accordance with corporate governance best practice, including risk management and internal control systems to:
    - maximise sustainable returns;
    - safeguard the people, assets and reputation of the group; and
    - ensure compliance with applicable laws and regulations.
f) monitoring implementation by group companies, board committees and executive management of the board's strategies, decisions, values and policies by a structured approach to reporting, risk management and auditing.

The board met seven times during the financial year. Four of these meetings were scheduled in advance and three were ad hoc meetings. The attendance by each director was as follows:

Director	05/09/08	27/11/08 (ad hoc)	28/11/08	22/01/09 (ad hoc)	12/02/09 (ad hoc)	6/03/09	05/06/09
E le R Bradley	√	√	√	*	*	*	*
BP Connellan	√	√	√	√	√	√	√
PV Cox	√	√	*	*	*	*	*
LPA Davies	√	√	√	√	√	√	√
HG Dijkgraaf	√	√	√	√	√	√	√
VN Fakude	√	√	√	√	√	√	√
MSV Gantsho	√	√	√	–	√	√	√
A Jain	√	√	–	√	√	√	–
IN Mkhize	√	√	√	√	√	√	√
AMB Mokaba	√	√	√	√	–	√	√
MJN Njeke[1]					√	√	√
TH Nyasulu	√	√	√	√	√	√	√
KC Ramon	√	√	√	√	√	√	√
JE Schrempp	√	√	√	√	√	√	√
TA Wixley	√	√	√	√	√	√	√

√ Indicates attendance – Indicates absence with apology * Indicates retirement

1. Appointed with effect from 4 February 2009.

Non-executive directors are chosen for their business skills and acumen appropriate to the strategic direction of the company. Considerations of gender and racial diversity, as well as diversity in business, geographic and academic backgrounds, are taken into account by the nomination and governance committee and the board when appointments to the board are considered. All directors are individuals of integrity and courage, and have the relevant knowledge, skills and experience to bring judgement to bear on the business of the company. The directors are entitled to seek independent professional advice at Sasol's expense concerning the company's affairs and have access to any information they may require in discharging their duties as directors.

The board comprises 50% historically disadvantaged South Africans and 29% women. Newly appointed directors are inducted in the company's business, board matters and their fiduciary duties and other governance responsibilities as directors under the guidance of the company secretary, in accordance with their specific needs.

The nomination and governance committee annually evaluates the effectiveness and performance of the board, its committees and the individual directors.

In terms of the company's articles of association, one-third of directors must retire at every annual general meeting and are eligible for re-election.

Company secretary

Dr NL Joubert is the company secretary, duly appointed in accordance with the South African Companies Act (the Act). The company secretary has a direct channel of communication to the chairman while maintaining an arms-length relationship with the board and the directors. He is responsible to the board for ensuring the proper administration of board proceedings, including the preparation and circulation of board papers, ensuring that feedback is provided to the board and board committees and preparing and circulating minutes of board and board committee meetings. He provides practical support and guidance to the directors on their responsibilities within the prevailing regulatory and statutory environment and the manner in which such responsibilities (including not dealing in the company's shares during restricted periods) should be discharged.

Board committees

Several committees have been established to assist the board in discharging its responsibilities. The committees have an important role in enhancing high standards of governance and achieving increased effectiveness within the group. The terms of reference of the board committees form part of the board charter and can be viewed on the company's website (www.sasol.com). In line with King III, all board committees comprise only members of the board. All committees are empowered to obtain such external or other independent professional advice as they consider necessary to carry out their duties.

The company's main subsidiaries, as well as their operating divisions, have established board and committee structures to ensure the maintenance of high standards and best practice for corporate governance and internal control throughout. The business of group subsidiaries and divisions is decentralised. The company requires decision-making involvement for a defined list of material matters of the businesses of its subsidiaries and divisions. This list includes matters such as the appointment of directors, strategy charters, large capital expenditures and mergers, acquisitions and disposals. The boards of the main subsidiaries and divisions of the company are constituted so that a majority of directors of each main subsidiary or divisional board are non-executive directors of the subsidiary or division.

The remuneration committee

Members: Messrs HG Dijkgraaf (chairman), BP Connellan and Mrs TH Nyasulu (appointed with effect from 27 November 2008). Mr PV Cox and Mrs E le R Bradley retired as members with effect from 28 November 2008 and 31 December 2008, respectively.

With the exception of Mrs TH Nyasulu, all the members of the committee, including the chairman, are independent non-executive directors. In line with the recommendations of King II, the chief executive attends the meetings of the committee at the request of the committee, but is requested to leave the meeting before any decisions are made.

The functions of the remuneration committee are to:

- assist the board in exercising its function of ensuring that affordable, fair and effective remuneration practices are implemented in the Sasol group;
- determine the remuneration of group management members;
- make recommendations to the board on directors' fees and the remuneration and service conditions of executive directors, including the chief executive; and
- provide a channel of communication between the board and management on remuneration matters.

The remuneration committee is mandated to:

- review and approve general proposals for salary and wage adjustments;
- review and approve proposals for the general adjustment of standard conditions of service, including matters relating to leave, housing, motor vehicles, bonuses, incentives, pension funds, provident funds, medical aid, deferred compensation and share schemes;
- review the group's remuneration policies and practices and proposals to change these and to make recommendations in this regard to the board;
- determine and approve any criteria for measuring the performance of executive directors in discharging their functions and responsibilities;
- review (at least annually) and approve the terms and conditions of executive directors' employment contracts, taking into account information from comparable companies;
- determine and approve any grants to executive directors and other senior employees made pursuant to the company's executive share scheme and share appreciation rights scheme;
- review and approve any disclosures in the annual report or elsewhere on remuneration policies or directors' remuneration; and
- at least annually assess the performance of the committee and committee members.

Directors' emoluments and other relevant remuneration information including the remuneration philosophy and policy of the group, are disclosed in the remuneration report from page 46 to 56 of the annual financial statements.

The committee is required to meet at least twice a year. During the year under review, it met three times. Attendance at meetings was as follows:

Member	05/09/08	**06/03/09**	**05/06/09**
E le R Bradley	√	*	*
BP Connellan	√	√	√
PV Cox	√	*	*
HG Dijkgraaf	√	√	√
TH Nyasulu[1]		√	√

√ Indicates attendance – Indicates absence with apology
* Indicates retirement

1. Appointed with effect from 27 November 2008.

The audit committee

Members: Messrs BP Connellan (chairman), TA Wixley, Dr MSV Gantsho, Messrs MJN Njeke (with effect from 4 February 2009) and C Beggs (with effect from 8 July 2009).

The audit committee is an important element of the board's system of monitoring and control. In compliance with SEC and NYSE rules, as well as South African legislation, all members are independent non-executive directors.

All audit committee members have extensive audit committee experience and are financially literate. As required by the SEC rules, Mr BP Connellan has been designated as the audit committee financial expert. The chairman of the board, the chief executive, chief financial officer, internal auditor and external auditors attend audit committee meetings on invitation.

The Sasol Limited audit committee performs the functions prescribed by the Act for the company and all its South African subsidiaries.

The audit committee primarily assists the board in overseeing:

- the quality and integrity of Sasol's financial statements (including consolidated group financial statements, interim reports and other financial reports as well as circulars) and public announcements in respect thereof;
- the qualification and independence of the external auditors for Sasol and all group companies;
- the scope and effectiveness of the external audit function for Sasol and all group companies;
- the effectiveness of the Sasol group's internal controls and internal audit function; and
- compliance with legal and regulatory requirements to the extent that it might have an impact on the financial statements.

The board has delegated extensive powers in accordance with the Act and US corporate governance requirements to the audit committee to perform these functions. In line with these requirements the audit committee has, among other things, implemented a procedure for the pre-approval by the audit committee of all audit services and permissible non-audit services provided by the external auditor. The policy was reviewed after the amendment of the Act by the Corporate Laws Amendment Act, 2006 with effect from December 2007. The audit committee meets the group's external and internal auditors and executive management regularly to consider risk assessment and management, review the audit plans of the external and internal auditors and to review accounting, auditing, financial reporting, corporate governance and compliance matters. The audit committee approves the external auditors' engagement letter and the terms, nature and scope of the audit function and the audit fee. The internal audit charter, internal audit plan and internal audit conclusions are similarly reviewed and approved by the audit committee.

Interim and annual results of the group and trading statements of the company are reviewed by the audit committee before publication. Both the audit committee and the board are satisfied there is adequate segregation between the external and internal audit functions and that the independence of the internal and external auditors is not in any way impaired or compromised.

All major Sasol subsidiaries and divisions have governance committees which assist the respective subsidiary and divisional boards by examining and reviewing the company's annual financial statements prior to submission and approval by the relevant boards and monitoring the effective functioning of the company's internal and disclosure controls. The proceedings of these subsidiary and divisional governance committees are reported to the Sasol Limited audit committee.

The audit committee is required to meet at least three times a year. During the year, the committee met four times. Attendance at meetings was as follows:

Member	04/09/08	06/10/08 (ad hoc)	**05/03/09**	**04/06/09**
BP Connellan	√	√	√	√
E le R Bradley	√	√	*	*
MSV Gantsho	√	√	–	√
MJN Njeke[1]			√	√
TA Wixley	√	√	√	√

√ Indicates attendance – Indicates absence with apology
* Indicates retirement

1. Appointed with effect from 4 February 2009.

The risk and safety, health and environment committee (risk and SHE committee)

Members: Messrs HG Dijkgraaf (appointed chairman with effect from 1 August 2008), BP Connellan, LPA Davies, Mss VN Fakude, IN Mkhize, TH Nyasulu, KC Ramon and Dr AMB Mokaba.

The committee currently comprises four non-executive and four executive directors. The committee's functions include reviewing and assessing the integrity of the company's risk management processes, including the effective management of those covering safety, health and environmental matters.

The committee met four times during the year. Attendance at meetings was as follows:

Member	03/09/08	26/11/08	**04/03/09**	**03/06/09**
BP Connellan	√	√	√	√
PV Cox	√	√	*	*
LPA Davies	√	√	√	–
HG Dijkgraaf	√	√	√	√
VN Fakude	√	√	√	–
IN Mkhize	√	–	√	√
AMB Mokaba	√	–	√	√
TH Nyasulu[1]			√	√
KC Ramon	√	√	√	–

√ Indicates attendance – Indicates absence with apology
* Indicates retirement

1. Appointed with effect from 27 November 2009.

The nomination and governance committee

Members: Mrs TH Nyasulu (chairman with effect from 1 January 2009), Prof JE Schrempp and Mr TA Wixley. Mr PV Cox and Mrs E le R Bradley retired as members with effect from 28 November 2008 and 31 December 2008, respectively.

The committee is comprised of three non-executive directors, of whom two are independent. The chairman of the board is the chairman of the nomination and governance committee.

The nomination and governance committee's functions include reviewing and making recommendations to the board on the company's general corporate governance framework, the composition and performance of the board and its committees, appointment of directors, legal compliance and the company's ethics policy and programmes.

The nomination and governance committee met five times during the financial year.

Attendance at the meetings was as follows:

Member	05/08/08 (ad hoc)	04/09/08	26/11/08	**05/03/09**	**04/06/09**
PV Cox	√	√	√	*	*
E le R Bradley	√	√	√	*	*
TH Nyasulu	√	√	√	√	√
JE Schrempp	√	√	√	√	√
TA Wixley	√	√	√	√	√

√ Indicates attendance
* Indicates retirement

Group executive committee (GEC)

Members: Messrs LPA Davies (chairman), A de Klerk, BE Klingenberg, Ms VN Fakude, Drs RK Groh, NL Joubert, AMB Mokaba, Mr CF Rademan, Ms KC Ramon and Mr GJ Strauss. Mr AM de Ruyter joined the GEC with effect from 1 September 2009.

The board has delegated a wide range of matters relating to Sasol's management to the GEC, including financial, strategic, operational, governance, risk and functional issues. The GEC's focus is on the formulation of group strategy and policy and the alignment of group initiatives and activities. The committee meets weekly and reports directly to the Sasol Limited board. During the year, the GEC's functioning was supported by the group business committee, which comprises managing directors of significant business units and group functional managers.

Internal control and risk management

The directors are ultimately responsible for the group's system of internal control, designed to provide reasonable assurance against material misstatement and loss. The group maintains a system of internal financial control that is designed to provide assurances on the maintenance of proper accounting records and the reliability of financial information used within the business and for publication. The system contains self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified.

The internal control system includes:

- a documented organisational structure and reasonable division of responsibility;
- established policies and procedures (including a code of conduct to foster a strong ethical climate), which are communicated throughout the group; and
- established mechanisms to ensure compliance.

Sasol, as a foreign private issuer on the NYSE, is subject to and complies with, section 404 of the Sarbanes-Oxley Act of 2002 (SOX 404).

Internal audit

The group has an internal audit function covering its global operations. Internal audit is responsible for:

- assisting the board and management in monitoring the adequacy and effectiveness of the company's risk management process; and
- assisting the board and management in maintaining an effective internal control environment by evaluating those controls continuously to determine whether they are adequately designed, operating efficiently and effectively and to recommend improvements.

Internal controls reviewed consist of strategic, operating, financial reporting and compliance controls and encompass controls relating to:

- the information management environment;
- the reliability and integrity of financial and operating information;
- the safeguarding of assets; and
- the effective and efficient use of the company's resources.

The annual audit plan is based on an assessment of risk areas identified by management, as well as focus areas highlighted by the audit committee, group executive committee and management. The annual audit plan is updated as appropriate to ensure they are responsive to changes in the business. A comprehensive report on internal audit findings is presented to the group executive committee and the audit committee at quarterly scheduled meetings. Follow-up audits are conducted in areas where significant internal control weaknesses are found.

Corporate governance best practice requires that the internal audit function reports directly to the audit committee. Such direct reporting is ensured by the audit committee's mandate to:

- evaluate the effectiveness of internal control;
- review and approve the internal audit charter, internal audit plans and internal audit conclusions about internal control;
- review significant internal audit findings and the adequacy of corrective action taken;
- assess the performance of the internal audit function and the adequacy of available internal audit resources;
- review significant differences of opinion between management and the internal audit function; and
- consider the appointment, dismissal or reassignment of the head of internal audit.

The charter of the internal audit department provides that the head of internal audit has direct access to the chief executive, chief financial officer and the chairman of the audit committee. The head of internal audit reports administratively to a group general manager responsible for assurance services.

Risk management

The board is responsible for governing risk management processes in the Sasol group in accordance with corporate governance requirements. The establishment of a more formalised enterprise-wide risk management process was initiated during the 2002 financial year with the following principal objectives:

- providing the board with assurance that significant business risks are systematically identified, assessed and reduced to acceptable levels in order to achieve an optimal risk-reward balance; and
- making risk identification and risk management an integral part of the daily activities of everyone in the organisation.

Substantial progress has been made to date in achieving the above objectives. There are still certain components of the process which need to be further developed and embedded and programs are in place to address these. Sasol's enterprise-wide risk management process is guided by the following key principles:

- a clear assignment of responsibilities and accountabilities;
- a common enterprise-wide risk management framework and process;
- the identification of uncertain future events that may influence the achievement of business plans and strategic objectives; and
- the integration of risk management activities within the company and across its value chains.

Sasol's integrated risk management implementation approach among others, entails the development of strategic, functional and process risk profiles. Strategic risk encompasses those risks that may influence the achievement of strategic business objectives. Similarly, functional and process risks are defined as risks that may influence the achievement of functional and process objectives, respectively.

The company's insurance services department, with the assistance of external consultants, undertakes regular risk control audits of all the company's plants and operations using recognised international procedures and standards. The group participates in an international insurance program that provides, at competitive cost, insurance cover for losses above agreed deductibles.

Most significant risks

The most significant risks currently faced by the group are:

- viable superior or alternative technologies from competitors;
- exposure to a strong rand/US dollar exchange rate for a protracted period;
- a slump in oil prices for a protracted period;
- failure to deliver timeously on cultural change initiatives and transformation in South Africa;
- the risk of not delivering on our coal-to-liquids and gas-to-liquids strategic growth objectives;
- not succeeding with the engineering, construction and commissioning of new plants and businesses;
- non-compliance with applicable laws, regulations and standards;
- a major safety, health or environmental incident or liability occurring;
- non-availability of sufficient management and technical skills;
- risk resulting from interdependency of Sasol's integrated value chain;
- risk of not delivering a viable CO_2 solution;
- risk of a deepening global recession; and
- risk of increasing exposure to high-risk countries.

The responsibility for monitoring the management of each of these risks, by line management, is assigned to a senior group executive member.

Disaster recovery plans are continually reviewed for critical information management systems that could have a material impact on the group's continuing operations. Certain of these plans are subject to regular testing and, in other cases, are subjected to ongoing tests to ensure their robustness and reliability.

Sustainability reporting

The company reports on all aspects of its social, transformation, ethical and safety, health and environmental policies and practices to the board and to its stakeholders. A comprehensive sustainable development report dealing with these issues covering the period 1 July 2007 to 30 June 2008 was published by the company in November 2008 and is available on the company's website (www.sasol.com). The 2009 sustainable development report will be published during November 2009.

See pages 69 to 94 of the annual review for more information on Sasol's sustainable development report.

Worker participation and employment equity

The group has established participative structures on issues that affect employees directly and materially and is committed to promoting equal opportunities and fair employment practices regardless of employees' ethnic origin or gender. Several programs have been implemented to ensure practical application of the group's commitment to worker participation and employment equity, while maintaining the company's high standards and statutory compliance. The financial year has seen an accelerated pace of transformation, as reflected in more detail in the sustainable development review.

Code of ethics

The company's code of ethics consists of four fundamental ethical principles – responsibility, honesty, fairness and respect. The code is supported by "Guidelines to the Code of Ethics" which provides details on 15 ethical standards. These cover issues such as bribery and corruption, fraud, insider trading, legal compliance, conflicts of interests, human rights and discrimination. They include a commitment to conducting our business with due regard to the interests of all our stakeholders and the environment. The code embodies a requirement of compliance with all applicable laws and regulations as a minimum standard. We have established an ethics forum to monitor and report on ethics, discuss best practice and compliance requirements, and to recommend amendments to the code and guide as required.

The code of ethics guides interactions with all stakeholders of the group, including employees, suppliers and customers. Any amendment or waiver of the code as it relates to the chief executive or chief financial officer will be posted on the website within four business days following such amendment or waiver. No such amendments or waivers are anticipated. The code of ethics has been communicated to all employees, suppliers, service providers and customers and is available on the company's website. The website address is www.sasolethics.com.

We have been operating an independent ethics reporting telephone line through external service providers since 2002. This confidential and anonymous ethics hotline provides an impartial facility for all stakeholders to anonymously report fraud, statutory malpractice and other crimes, deviations from the procurement policy, financial and accounting reporting irregularities and other deviations from ethical behaviour. These calls are monitored and progress on their resolution is reported to the audit committee on a regular basis.

During the year under review, a considerable increase was noticed in the use of the ethics hotline. This is attributed to an increased awareness and understanding of the ethical behaviour as prescribed by the code of ethics, as well as the chief executive's call on the Sasol leadership and all employees to be co-responsible in applying the policy of "zero tolerance" to unethical behaviour and assurance given to employees that they should not fear any reprisal as a result of reporting unethical behaviour in the company.

Dealing in the company's securities

The company's directors, executives and senior employees are prohibited from dealing in Sasol securities during certain prescribed restricted periods. The company secretary regularly disseminates written notices to inform them of the insider trading legislation and advise them of closed periods. A report on directors' dealings in the company's securities is tabled at each board meeting and is disclosed in terms of the applicable JSE and NYSE listings requirements.

Disclosure

Sasol has a disclosure committee which oversees compliance with the disclosure requirements contained inter alia in the JSE, SEC and NYSE rules. Disclosure controls and procedures have been implemented to ensure that accurate and timely disclosure of information that may have a material effect on the value of Sasol securities or influence investment decisions is made to shareholders, the financial community and the investing public.

Investor relations and shareholder communication

The company's chief executive, the chief financial officer and investor relations management conduct regular presentations on the group's performance and strategy to analysts, institutional investors and the media in South Africa, North America and Europe. The company's investor relations management maintains regular contact with the investment community and analysts. To ensure the company communicates with its smaller shareholders and those stakeholders without access to the electronic media, the company publishes and reports on details of its corporate actions and performance (including its interim and final results) in the main South African daily newspapers. The company's communications department also maintains regular contact with the media by disseminating relevant information. The company maintains a website through which access is available to the company's latest financial, operational and historical information, including its annual report.

ten year financial performance

	Compound growth %*	2009 Rm	2008 Rm	2007 Rm
Statement of financial position				
Property, plant and equipment	13,1	**70 370**	66 273	50 611
Assets under construction		**14 496**	11 693	24 611
Other intangible assets		**1 068**	964	629
Non-current assets		**6 920**	6 359	4 839
Current assets		**52 984**	54 823	38 375
Total assets	14,7	**145 838**	140 112	119 065
Total equity	19,5	**86 217**	78 995	63 269
Interest-bearing debt		**17 814**	19 455	18 925
Interest-free liabilities		**41 807**	41 662	36 871
Total equity and liabilities	14,7	**145 838**	140 112	119 065
Income statement				
Turnover	18,0	**137 836**	129 943	98 127
Operating profit	21,9	**24 666**	33 816	25 621
Share of profit of associates (net of tax)		**270**	254	405
Finance (expenses)/income		**(741)**	(413)	(323)
Profit before tax	21,8	**24 195**	33 657	25 703
Taxation		**(10 480)**	(10 129)	(8 153)
Profit	18,5	**13 715**	23 528	17 550
Attributable to				
Owners of Sasol Limited	18,7	**13 648**	22 417	17 030
Non-controlling interests in subsidiaries		**67**	1 111	520
		13 715	23 528	17 550
Statement of cash flows				
Cash from operations	20,5	**37 812**	42 558	28 618
Decrease/(increase) in working capital		**10 375**	(7 818)	(186)
Cash generated by operating activities	26,0	**48 187**	34 740	28 432
Finance income received		**2 264**	957	1 059
Finance expenses paid		**(2 168)**	(2 405)	(1 816)
Tax paid		**(10 252)**	(9 572)	(7 251)
Cash available from operating activities	30,5	**38 031**	23 720	20 424
Dividends and debenture interest paid		**(7 193)**	(5 766)	(4 613)
Cash retained from operating activities	33,4	**30 838**	17 954	15 811
Additions to non-current assets		**(15 672)**	(10 855)	(12 045)
Acquisition of businesses		**(30)**	(431)	(285)
Other movements		**3 184**	442	1 785
Decrease/(increase) in funding requirements		**18 320**	7 110	5 266

Various changes to the group accounting policies have been implemented since the adoption of IFRS. Comparative figures are restated to the extent it is practicable.

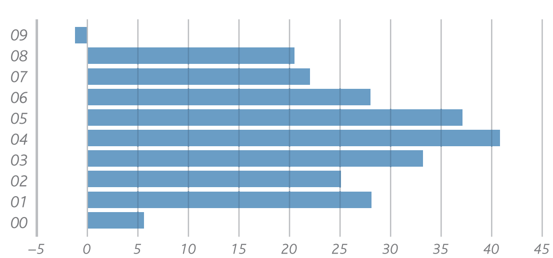
* *Five year compound growth percentage per annum (based on rand figures).*

2006 Rm	2005 Rm	2004 Rm	2003 Rm	2002 Rm	2001 Rm	2000 Rm
39 929	39 618	38 003	30 574	30 594	25 241	17 200
23 176	18 088	9 811	12 213	8 256	4 273	1 673
775	1 053	1 280	1 627	1 457	906	515
3 235	3 324	2 386	2 108	1 894	1 281	1 256
36 043	26 095	21 866	23 097	23 529	19 742	9 021
103 158	88 178	73 346	69 619	65 730	51 443	29 665
52 984	44 006	35 400	33 818	31 587	23 244	17 715
17 884	18 745	16 308	14 277	10 579	8 429	777
32 290	25 427	21 638	21 524	23 564	19 770	11 173
103 158	88 178	73 346	69 619	65 730	51 443	29 665
82 395	69 239	60 151	64 555	59 590	40 768	25 762
17 212	14 386	9 168	11 767	14 671	10 547	6 292
134	184	117	60	31	11	6
(230)	(438)	(249)	(58)	(54)	34	(189)
17 116	14 132	9 036	11 769	14 648	10 592	6 109
(6 534)	(4 573)	(3 175)	(4 007)	(4 905)	(3 512)	(1 994)
10 582	9 559	5 861	7 762	9 743	7 080	4 115
10 406	9 449	5 795	7 674	9 705	7 053	4 096
176	110	66	88	38	27	19
10 582	9 559	5 861	7 762	9 743	7 080	4 115
28 284	21 081	14 859	15 986	19 241	15 277	8 793
(3 749)	(2 179)	292	11	216	(1 195)	(1 010)
24 535	18 902	15 151	15 997	19 457	14 082	7 783
444	169	230	178	247	253	204
(1 745)	(1 523)	(1 384)	(1 286)	(863)	(509)	(387)
(5 389)	(3 753)	(3 963)	(5 527)	(4 749)	(2 972)	(1 267)
17 845	13 795	10 034	9 362	14 092	10 854	6 333
(3 660)	(2 856)	(2 745)	(2 835)	(2 325)	(1 655)	(1 114)
14 185	10 939	7 289	6 527	11 767	9 199	5 219
(13 296)	(12 616)	(11 418)	(10 968)	(8 742)	(4 095)	(2 171)
(147)	–	(555)	(155)	(565)	(8 350)	(2 827)
1 160	299	1 085	402	878	(291)	242
1 902	(1 378)	(3 599)	(4 194)	3 338	(3 537)	463

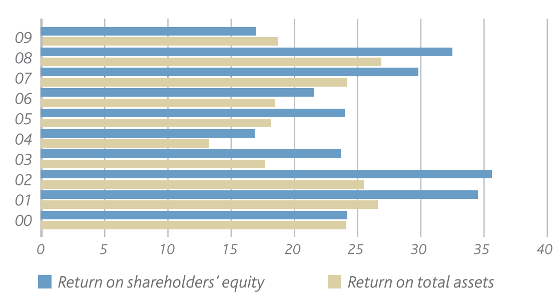
key performance indicators

Liquidity	Measures the group's ability to meet its maturing obligations and unexpected cash needs in the short-term
Current ratio	Current assets / Current liabilities
Quick ratio	Current assets – inventories / Current liabilities
Cash ratio	Cash and cash equivalents / Current liabilities – bank overdraft
Debt leverage	Measures the group's ability to meet capital and interest payments over the long-term
Total liabilities to shareholders' equity	Non-current liabilities + current liabilities / Shareholders' equity
Total borrowings to shareholders' equity	Long-term debt + short-term debt + bank overdraft (total borrowings) / Shareholders' equity
Net borrowings to shareholders' equity (gearing)	Total borrowings – cash / Shareholders' equity
Debt coverage	Cash generated by operating activities / Total borrowings
Finance expense cover	Net profit before finance expenses and taxation / Finance expenses paid
Profitability	Measures the financial performance of the group
Return on shareholders' equity	Attributable earnings / Average shareholders' equity
Return on total assets	Net profit before finance expenses and taxation / Average non-current assets + average current assets
Return on total operating assets	Net profit before finance expenses and taxation / Average non-current operating assets + average current assets
Return on net assets	Net profit before finance expenses and taxation / Average total assets – average total liabilities
Gross margin	Gross profit / Turnover
Operating margin	Operating profit / Turnover

Net borrowings to shareholders' equity (gearing) (%)

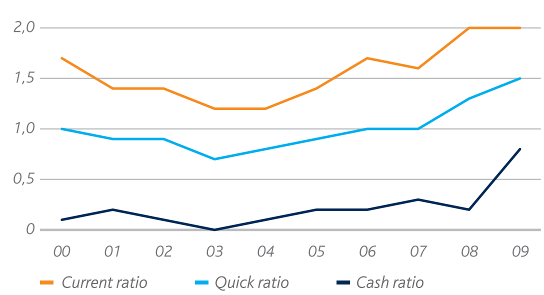


Profitability (%)

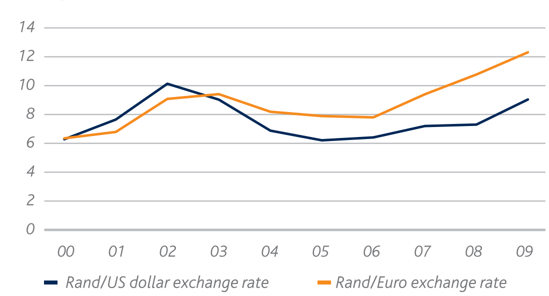


	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
– :1	**2,0**	2,0	1,6	1,7	1,4	1,2	1,2	1,4	1,4	1,7
– :1	**1,5**	1,3	1,0	1,0	0,9	0,8	0,7	0,9	0,9	1,0
– :1	**0,8**	0,2	0,3	0,2	0,2	0,1	–	0,1	0,2	0,1
– %	**71,1**	79,9	90,6	95,4	101,0	108,3	106,8	109,0	121,9	66,9
– %	**22,0**	26,3	31,7	34,7	42,8	46,7	42,8	34,1	36,8	8,5
– %	**(1,2)**	20,5	22,0	28,0	37,1	40,8	33,2	25,1	28,1	5,6
– times	**2,6**	1,7	1,5	1,3	1,0	0,9	1,1	1,8	1,7	5,2
– times	**12,3**	14,5	14,8	10,1	9,7	6,8	9,3	17,3	21,2	16,8
– %	**17,0**	32,5	29,8	21,6	24,0	16,9	23,7	35,6	34,5	24,2
– %	**18,7**	26,9	24,2	18,5	18,2	13,3	17,7	25,5	26,6	24,1
– %	**20,7**	31,2	30,8	23,6	22,0	15,7	20,9	28,5	28,7	25,6
– %	**32,4**	48,9	46,2	36,5	37,1	27,4	36,7	54,5	52,6	38,1
– %	**35,8**	42,6	38,9	41,1	39,0	35,5	39,0	41,6	37,8	31,9
– %	**17,9**	26,0	26,1	20,9	20,8	15,2	18,2	24,6	25,9	24,4

Liquidity ratios



Exchange rates



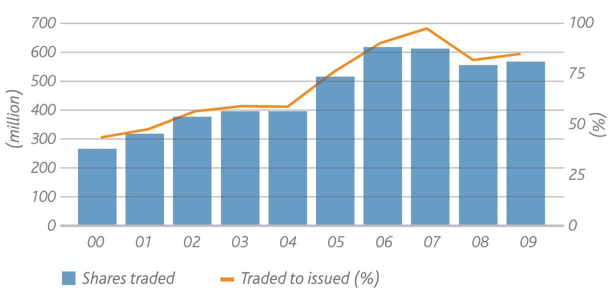
Efficiency	Measures the effectiveness and intensity of the group's management of its resources
Net asset turnover ratio	Turnover / Average total assets – average total liabilities
Net operating asset turnover ratio	Turnover / Average total operating assets – average total liabilities
Depreciation to cost of property, plant and equipment	Depreciation / Cost of property, plant and equipment
Net working capital to turnover	(Inventories + trade receivables + other receivables and prepaid expenses) – (trade payables and accrued expenses + other payables) / Turnover
Shareholders' returns	Measures key financial variables on a per share basis
Attributable earnings per share	Attributable earnings / Weighted average number of shares in issue after the share repurchase programme
Headline earnings per share	Headline earnings (refer note 43) / Weighted average number of shares in issue after the share repurchase programme
Dividend per share	Interim dividend per share paid + final dividend per share declared
Dividend cover	Attributable earnings per share + STC on prior year final dividend – STC on current year final dividend / Interim dividend paid per share + final dividend declared per share
Net asset value per share	Shareholders' equity / Total number of shares in issue after the share repurchase programme
Annual increase/(decrease) in turnover	Turnover – prior year turnover / Prior year turnover
Employee cost to turnover	Total employee cost / Turnover
Depreciation and amortisation to turnover	Total depreciation of property, plant and equipment + amortisation of goodwill, negative goodwill and intangible assets / Turnover
Effective tax rate	Taxation / Profit before tax
Employee statistics	
Number of employees (at year end)	
Paid to employees	
Average paid to employees	
Economic indicators	
Average crude oil price (Brent)	
Rand/US dollar exchange rate	– closing – average
Rand/euro exchange rate	– closing – average

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
– times	**1,7**	1,8	1,7	1,7	1,7	1,7	2,0	2,2	2,0	1,5
– times	**2,0**	2,5	2,9	3,0	2,7	2,5	2,9	2,8	2,3	1,7
– %	**4,7**	4,1	3,8	4,5	4,8	5,8	5,9	6,0	4,5	5,9
– %	**11,2**	21,4	18,5	20,2	18,2	17,8	17,4	21,3	27,1	20,8
– SA rand	**22,90**	37,30	27,35	16,78	15,39	9,50	12,59	15,84	11,24	6,20
– US dollar	**2,53**	5,11	3,80	2,62	2,48	1,38	1,39	1,56	1,47	0,99
– SA rand	**25,42**	38,09	25,37	22,98	17,29	9,10	12,56	15,79	12,47	6,66
– US dollar	**2,81**	5,22	3,52	3,59	2,78	1,32	1,39	1,56	1,63	1,06
– SA rand	**8,50**	13,00	9,00	7,10	5,40	4,50	4,50	4,50	3,20	2,20
– US dollar	**1,10**	1,65	1,27	1,01	0,84	0,71	0,58	0,44	0,39	0,30
– times	**2,8**	2,8	3,0	2,3	2,9	2,1	2,8	3,5	3,5	3,2
– SA rand	**141,14**	128,44	100,55	84,45	70,94	57,31	55,03	51,42	37,44	30,60
– %	**6,1**	32,4	19,1	19,0	15,1	(6,8)	8,3	46,2	58,2	34,3
– %	**12,7**	11,1	11,9	11,6	12,7	14,8	14,0	13,3	12,2	15,3
– %	**4,5**	4	4,1	5,2	5,9	8,3	7,0	6,8	6,0	7,6
– %	**43,3**	30,1	31,7	38,2	32,4	35,1	34,0	33,5	33,2	32,7
	33 544	33 928	31 860	31 460	30 004	30 910	31 150	31 100	30 800	26 300
– R million	**17 532**	14 443	11 695	9 551	8 782	8 877	9 199	8 033	5 029	3 943
– R thousand	**523**	426	367	304	293	287	295	258	163	150
– US$/bbl	**68,14**	95,51	63,95	62,45	46,17	31,30	27,83	23,24	28,38	24,03
– :1	**7,73**	7,83	7,04	7,17	6,67	6,21	7,50	10,27	8,02	6,93
– :1	**9,04**	7,30	7,20	6,41	6,21	6,88	9,03	10,13	7,65	6,28
– :1	**10,84**	12,34	9,53	9,17	8,07	7,57	8,63	10,19	6,89	6,54
– :1	**12,31**	10,77	9,40	7,80	7,89	8,19	9,41	9,08	6,79	6,35

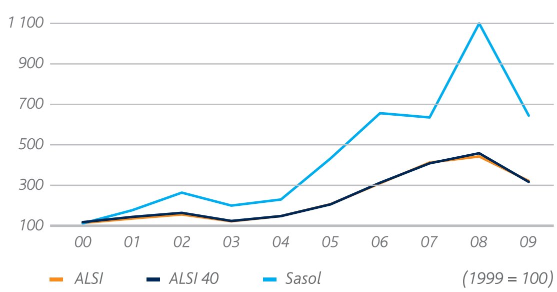
Shareholders	
Number of shareholders – beneficial (at year end) Number of shareholders – registered (at year end) *The increase in the number of shareholders, when compared to the 2002 and prior years' disclosure, is due to disclosing the beneficial ownership since 2003 compared to the registered ownership in previous years.*	
Share performance	Measures the annual movement of the shareholding in the group
Shares in issue*	
Shares repurchased	
Sasol Inzalo share transaction	
Net shares in issue**	
Weighted average shares in issue**	
Market capitalisation	Closing market price per share x shares in issue (before share repurchase)
JSE Limited statistics	Measures the performance of the group's shares listed on the JSE
Shares traded***	
Traded to issued	
Value of share transactions	
Market price per share year end high low	
Key market performance ratio's	Measures the performance of the group's shares
Earnings yield	Attributable earnings per share Closing market price per share
Dividend yield	Dividends per share Closing market price per share
Price to net asset value	Closing market price per share Net asset value per share
NYSE statistics****	Measures the performance of the group's shares listed on the NYSE
Shares traded	
Value of share transactions	
Market price per share year end high low	

* *Before share repurchase programme and including shares issued as part of Sasol Inzalo share transaction.*
** *After share repurchase programme and excluding shares issued as part of Sasol Inzalo share transaction.*
*** *Includes share repurchase programme.*
**** *As quoted on NYSE (American Depositary Shares) since 9 April 2003.*

Shares traded – JSE

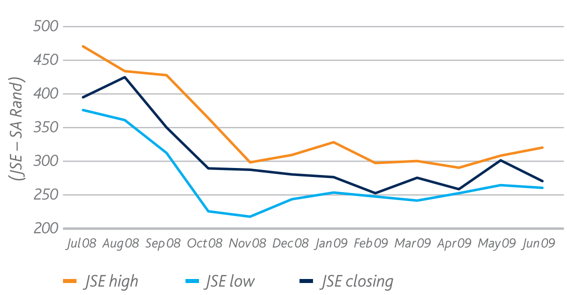


Share performance against JSE all share indices (as percentage of 2001)

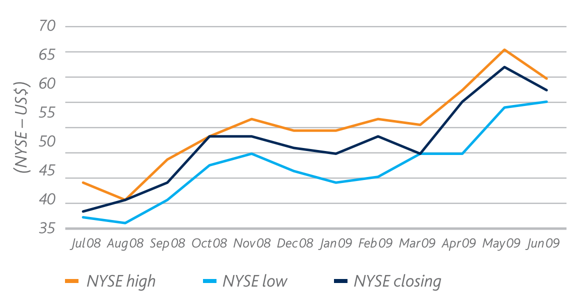


	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
	56 873	52 580	42 591	40 336	35 315	36 496	41 165	7 944	11 273	13 245
– million	**665,9**	676,7	627,7	683,0	676,9	671,3	668,8	666,9	665,0	606,8
– million	**8,8**	37,1	14,9	60,1	60,1	60,1	59,7	57,9	47,1	27,8
– million	**63,1**	44,20	–	–	–	–	–	–	–	–
– million	**594,0**	595,4	612,8	622,9	616,8	611,2	609,1	609,0	617,9	579,0
– million	**596,1**	601,0	622,6	620,0	613,8	610,0	609,3	612,5	627,3	604,4
– R million	**179 780**	311 959	166 968	187 825	122 379	64 512	55 878	73 356	50 540	28 307
– million	**568,5**	555,0	612,6	617,5	515,5	395,5	396,2	377,5	317,7	265,6
– %	**85,0**	82,0	97,6	90,4	76,2	58,9	59,2	56,6	47,8	43,8
– R million	**171 651**	198 348	151 088	141 206	67 930	36 941	38 111	35 997	19 073	12 001
– Rand	**269,98**	461,00	266,00	275,00	180,80	96,10	83,55	110,00	76,00	46,65
– Rand	**454,00**	514,00	278,49	279,00	181,50	111,50	121,50	135,20	81,00	55,00
– Rand	**221,00**	259,49	215,00	183,00	103,40	75,10	75,50	62,50	43,20	34,00
– %	**8,48**	8,09	10,28	6,10	8,51	9,89	15,07	14,40	14,79	13,29
– %	**3,15**	2,82	3,38	2,58	2,99	4,68	5,39	4,09	4,21	4,72
– :1	**1,91**	3,59	2,65	3,26	2,55	1,68	1,52	2,14	2,03	1,52
– million	**209,0**	174,6	147,9	107,2	65,9	16,7	2,4			
– US$ million	**7 101**	8 665	5 034	3 856	1 467	239	–			
– US$	**34,82**	38,40	37,54	38,64	26,98	15,73	11,28			
– US$	**57,95**	66,09	37,54	46,10	28,77	16,50	12,30			
– US$	**19,23**	35,66	32,20	27,30	15,75	10,35	10,30			

Average share price – JSE



Average share price – NYSE



shareholders' information

Shareholders' diary

Financial year end	30 June 2009
Annual general meeting	27 November 2009

Dividends

Interim dividend	
– rand per share	2,50
– paid	14 April 2009
Final dividend	
– rand per share	6,00
– date declared	14 September 2009
– last date to trade cum dividend	9 October 2009
– payable	19 October 2009

share ownership

at 30 June 2009

Public and non-public shareholding of listed Sasol ordinary shares	Number of shareholders	% of shareholders	Number of shares	% of listed shares
Public	56 806	99,9	590 316 152	92,6
Non-public	67	0,1	47 179 064	7,4
– Directors and their associates	7		185 866	
– Directors of subsidiary companies	54		590 494	
– Sasol Investment Company (Pty) Limited	1		8 809 886	
– The Sasol Inzalo Employee Trust	1		23 339 310	
– The Sasol Inzalo Management Trust	1		1 892 376	
– The Sasol Inzalo Foundation	1		9 461 882	
– Sasol Employee Share Savings Trust	1		804 042	
– Sasol Pension Fund	1		2 095 208	
	56 873	100,0	637 495 216	100,0

Major categories of shareholders

	Number of shares	% of total issued shares
Category		
Pension and provident funds	193 877 079	29,1
Unit trusts	154 808 583	23,2
American depositary shares*	40 141 002	6,0
Insurance companies	36 257 318	5,4
Employees	26 641 037	4,0
Black public (Sasol Inzalo BEE transaction)	18 923 764	2,8

* *Held by the Bank of New York Mellon as Depository and listed on the New York Stock Exchange.*

Major shareholders

Pursuant to Section 140A of the South African Companies Act, the following beneficial shareholdings exceeding 5% in aggregate,as at 30 June 2009, were disclosed or established from enquiries:

	Number of shares (millions)	% of total issued shares
Public Investment Corporation Limited*	121,5	18,2
Industrial Development Corporation of South Africa Limited	53,3	8,0

* It has recently been established that 102,6 million of these shares are beneficially owned by the Government Employees Pension Fund.

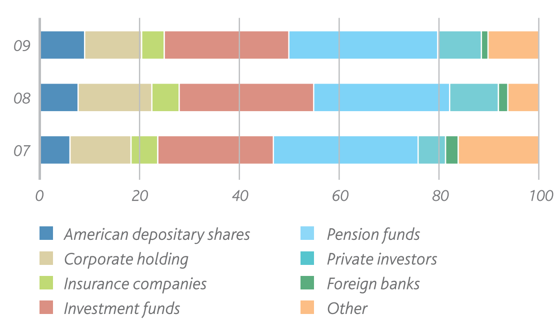
Furthermore the directors have ascertained that some of the shares registered in the names of nominee holders are managed by various fund managers and that, at 30 June 2009, the following fund managers were responsible for managing investments of 2% or more of the share capital of Sasol Limited.

Fund managers	Number of shares (millions)	% of total issued shares
PIC Equities*	104,6	15,7
Capital Research and Management	40,9	6,1
Allan Gray Investment Council	33,5	5,0
Old Mutual Investment Group SA	23,6	3,5
Sanlam Investment Management	17,8	2,7
Investec Asset Management	15,0	2,3
Stanlib Asset Management	14,9	2,2

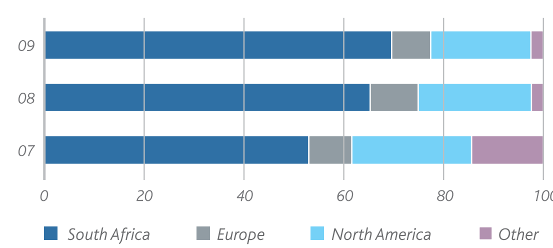
* The Public Investment Corporation Limited is the beneficial owner of the shares held by PIC Equities and this nominee shareholding is included in the 104,6 million shares held by the Public Investment Corporation Limited, as mentioned in the section on major shareholders.

Beneficial holding disclosures

Beneficial ownership by fund type (%)



Beneficial ownership by geographic region (%)



value added statement

for the year ended 30 June

Value added is defined as the value created by the activities of a business and its employees and in the case of Sasol is determined as turnover less the cost of purchased materials and services. The value added statement reports on the calculation of value added and its application among the stakeholders in the group. This statement shows the total wealth created and how it was distributed, taking into account the amounts retained and reinvested in the group for the replacement of assets and development of operations.

	2009 Rm	2008 Rm	2007 Rm	2006 Rm	2005 Rm
Turnover	**137 836**	129 943	98 127	82 395	69 239
Less purchased materials and services	**(89 393)**	(76 472)	(56 789)	(51 356)	(41 989)
Value added	**48 443**	53 471	41 338	31 039	27 250
Finance income	**2 060**	989	1 230	475	333
Wealth created	**50 503**	54 460	42 568	31 514	27 583

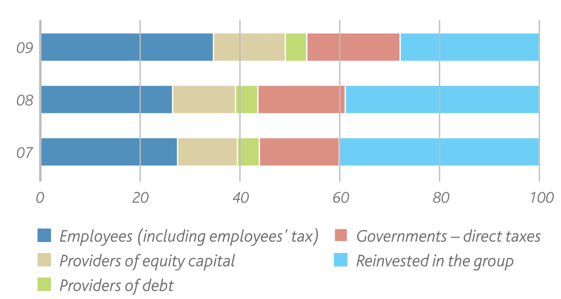
	%		%		%		%		%	
Employees (including employees' tax)	**34,7**	**17 532**	26,5	14 443	27,5	11 695	30,3	9 551	31,8	8 782
Providers of equity capital	**14,4**	**7 260**	12,6	6 877	12,0	5 133	12,2	3 836	10,8	2 966
Providers of debt	**4,3**	**2 191**	4,5	2 427	4,4	1 874	5,6	1 755	5,5	1 526
Governments – direct taxes	**18,7**	**9 413**	17,5	9 521	16,0	6 793	21,0	6 620	15,7	4 326
Reinvested in the group	**27,9**	**14 107**	38,9	21 192	40,1	17 073	30,9	9 752	36,2	9 983
Wealth distribution	**100,0**	**50 503**	100,0	54 460	100,0	42 568	100,0	31 514	100,0	27 583

Employee statistics

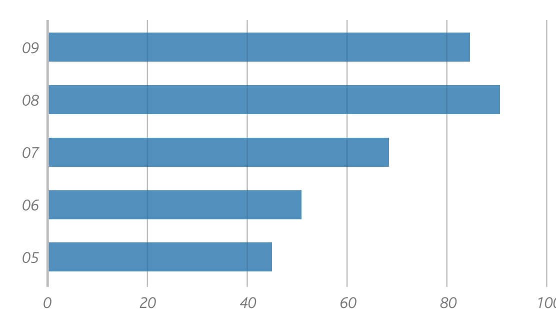
Number of employees at year end	**33 544**	33 928	31 860	31 460	30 004

	Rand	Rand	Rand	Rand	Rand
Turnover per employee	**4 109 110**	3 829 963	3 079 944	2 619 040	2 307 659
Value added per employee	**1 444 163**	1 576 014	1 297 489	986 618	908 212
Wealth created per employee	**1 505 575**	1 605 164	1 336 095	1 001 716	919 311

***Wealth distribution** (%)*



***Wealth created per share** (Rand)*



monetary exchanges with governments

for the year ended 30 June

	2009 Rm	2008 Rm	2007 Rm	2006 Rm	2005 Rm
Direct taxes	**9 413**	9 521	6 793	6 620	4 326
South African normal tax	**8 067**	8 497	6 016	5 644	3 211
foreign tax	**515**	387	248	421	736
Secondary Taxation on Companies	**831**	637	529	555	379
Employees' tax	**3 045**	2 564	2 044	1 872	1 769
Indirect taxes	**14 506**	13 112	11 748	7 818	6 595
customs, excise and fuel duty	**13 148**	11 855	10 873	8 090	7 424
property tax	**92**	75	84	66	65
RSC levies	**5**	5	6	141	110
net VAT (received)/paid	**(1 056)**	(152)	163	(651)	(1 153)
other	**2 317**	1 329	622	172	149
Net monetary exchanges with governments	**26 964**	25 197	20 585	16 310	12 690
South Africa	**24 646**	23 182	19 027	15 591	11 462
Germany	**777**	490	711	753	692
United States of America	**220**	193	152	122	55
Other	**1 321**	1 332	695	(156)	481

report of the audit committee

This report is provided by the audit committee appointed in respect of the 2009 financial year of Sasol Limited in compliance with section 270A of the Companies Act, 1973 as amended (the Act).

Information on the membership and composition of the audit committee, its terms of reference and its procedures are described more fully in the corporate governance report on page 24 of the annual report, of which the annual financial statements form a part.

Execution of functions of the audit committee

The audit committee has executed its duties and responsibilities during the financial year in accordance with its terms of reference as they relate to the Sasol group's accounting, internal auditing, internal control and financial reporting practices.

During the year under review:

- In respect of the external auditor and the external audit, the committee amongst others:
  - nominated KPMG Inc. and Mr AW van der Lith as the designated auditor to the shareholders for appointment as auditor for the financial year ended 30 June 2009;
  - ensured that the appointment of the external auditor complied with the Act and all applicable legal and regulatory requirements for the appointment of auditor;
  - approved the external audit plan and the budgeted audit fees payable to the external auditor;
  - reviewed the audit, evaluated the effectiveness of the auditor and their independence and evaluated the external auditor's internal quality control procedures;
  - obtained an annual written statement from the auditor that their independence was not impaired;
  - determined the nature and extent of all non-audit services provided by the external auditor;
  - pre-approved all permissible non-audit services provided by the external auditor as well as the contract in terms of which such services were provided;
  - obtained assurances from the external auditor that adequate accounting records were being maintained; and
  - obtained assurance from management and other governance structures within the group in respect of the functions specifically performed by the committee on behalf of subsidiaries in terms of section 270A of the Act through liaising with and monitoring the activities of the subsidiary governance committees. Nominated the external auditor and the designated independent auditor for each of the South African subsidiary companies.
- In respect of the financial statements, the committee amongst others:
  - confirmed the going concern as the basis of preparation of the interim and annual financial statements;
  - examined and reviewed the interim and annual financial statements, as well as all financial information, disclosed to the public prior to submission and approval by the board;
  - ensured that the annual financial statements fairly present the financial position of the company and of the group as at the end of the financial year and the results of operations and cash flows for the financial year and prospects of the company and of the group;
  - considered accounting treatments, significant unusual transactions and accounting judgements;
  - considered the appropriateness of the accounting policies adopted and changes thereto;
  - reviewed the external auditor's audit report;
  - considered any problems identified and reviewed any significant legal and tax matters that could have a material impact on the financial statements;
  - considered and made recommendations to the board on the interim and final dividends paid to shareholders;
  - met separately with management, external audit and internal audit; and
  - considered the effectiveness of the group's disclosure controls and procedures.
- In respect of internal control and internal audit, the committee amongst others:
  - reviewed and approved the annual internal audit charter and audit plan and evaluated the independence, effectiveness and performance of the internal audit department and compliance with its charter;
  - considered the reports of the internal auditor and external auditor on the group's systems of internal control including financial controls, business risk management and maintaining effective internal control systems;
  - reviewed significant issues raised by the internal audit process and the adequacy of corrective action in response to significant internal audit findings;
  - assessed the adequacy of the performance of the internal audit function, and specifically the adequacy of the available internal audit resources and found them to be satisfactory; and
  - based on the above, we formed the opinion that there were no material breakdowns in internal control, including financial controls, business risk management and maintaining effective material control systems.
- In respect of risk management, the committee, insofar as relevant to the functions of the audit committee:
  - reviewed the group's policies on risk assessment and risk management; and
  - considered and reviewed the findings and recommendations of the Risk and Safety, Health and Environment Committee.
- In respect of legal and regulatory requirements to the extent that it may have an impact on the financial statements, the committee amongst others:
  - reviewed with management, and to the extent deemed necessary, internal and/or external counsel legal matters that could have a material impact on the group;
  - reviewed with the general counsel the adequacy and effectiveness of the group's procedures to ensure compliance with legal and regulatory responsibilities;
  - monitored complaints received via the group's ethics line, including complaints or concerns regarding accounting matters, internal audit, internal accounting controls, contents of the financial statements, potential violations of the law and questionable accounting or auditing matters; and
  - considered reports provided by management, the internal auditor and the external auditor regarding compliance with legal and regulatory requirements.

- Considered the appropriateness of the experience and expertise of the chief financial officer and concluded that these were appropriate.

Independence of external auditor

The audit committee is satisfied that KPMG Inc. is independent of the group. The conclusion was arrived at, inter alia, after taking into account the following factors:

- representations made by KPMG Inc. to the audit committee;
- the auditor does not, except as external auditor or in rendering permitted non-audit services, receive any remuneration or other benefit from the company;
- the auditor's independence was not impaired by any consultancy, advisory or other work undertaken by the auditor;
- the auditor's independence was not prejudiced as a result of any previous appointment as auditor; and
- the criteria specified for independence by the Independent Regulatory Board for Auditors and international regulatory bodies.

Following our review of the annual financial statements for the year ended 30 June 2009, we are of the opinion that, in all material respects, they comply with the relevant provisions of the Act and International Financial Reporting Standards as issued by the International Accounting Standards Board, and fairly present the consolidated and separate results of operations, cash flows, and the financial position of Sasol Limited. On this basis, we recommend the consolidated and separate annual financial statements of Sasol Limited for approval to the board of directors.

On behalf of the audit committee

Brian Connellan
Chairman

11 September 2009

approval of the financial statements

The directors are required by the South African Companies Act to maintain adequate accounting records and are responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the financial position of the group and Sasol Limited (company) as at the end of the financial year and the results of their operations and cash flows for the financial year, in conformity with International Financial Reporting Standards, as issued by the International Accounting Standards Board, JSE listing requirements and applicable legislation. The group's external auditors are engaged to express an independent opinion on the consolidated annual financial statements and the annual financial statements of the company.

The consolidated annual financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and applicable legislation and incorporate disclosure in line with the accounting policies of the group. The consolidated annual financial statements are based upon appropriate accounting policies consistently applied throughout the group and supported by reasonable and prudent judgements and estimates. The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment.

To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management and the internal auditors that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The directors have reviewed the group's forecast financial performance for the year to 30 June 2010 as well as the longer term budget and, in the light of this review and the current financial position, they are satisfied that the group and the company has or has access to adequate resources to continue as a going concern for the foreseeable future.

The consolidated annual financial statements, set out on pages 44 to 200, and company annual financial statements, set out on pages 201 to 216, which have been prepared on the going concern basis, were approved by the board of directors on 11 September 2009 and were signed on their behalf by:

Hixonia Nyasulu
Chairman

Pat Davies
Chief executive

Christine Ramon
Chief financial officer

11 September 2009

certificate of the company secretary

In my capacity as the company secretary, I hereby confirm, in terms of the South African Companies Act, 1973, that for the year ended 30 June 2009 Sasol Limited has lodged with the Registrar of Companies all such returns as are required of a public company in terms of this Act, and that all such returns are, to the best of my knowledge and belief, true, correct and up to date.

Nereus Joubert

11 September 2009

report of the independent auditor

To the members of Sasol Limited

We have audited the consolidated annual financial statements and the annual financial statements of Sasol Limited, which comprise the statements of financial position at 30 June 2009, and the income statements, the statements of comprehensive income, the statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report as set out on pages 44 to 216.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the consolidated and separate financial position of Sasol Limited at 30 June 2009, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and in the manner required by the Companies Act of South Africa.

KPMG Inc.
Registered Auditor

Per **AW van der Lith**
Chartered Accountant (SA)
Registered Auditor
Director

11 September 2009

85 Empire Road
Parktown
2193

directors' report

(Company registration number 1979/003231/06)

The directors have pleasure in presenting their report for the year ended 30 June 2009.

Nature of business

Sasol Limited, the holding company of the group, is incorporated and domiciled in the Republic of South Africa and was listed on the JSE on 31 October 1979 and on the New York Stock Exchange (NYSE) on 9 April 2003.

Sasol is an integrated energy and chemicals company based in South Africa and operating throughout the world. Sasol manufactures and markets liquid fuels, gas and chemicals.

Sasol mines coal in South Africa. Through Sasol Synfuels, this coal, along with Mozambican natural gas, is converted into fuels and chemical feedstock using proprietary Fischer-Tropsch technology.

The group also has chemical manufacturing and marketing operations in Europe, Asia and the Americas. The larger chemical portfolios include monomers, polymers, solvents, olefins, surfactants, surfactant intermediates, comonomers, waxes, phenolics and nitrogenous products.

Sasol produces crude oil offshore Gabon and intend to increase its oil and gas production in selected regions around the world, including Mozambique, Papua New Guinea and West Africa. In South Africa, Sasol refines crude oil into liquid fuels and retails liquid fuels and lubricants produced in the Natref refinery and by Sasol Synfuels through a network of Sasol- and Exel-branded retail convenience centres. The group also sells liquid fuels to other distributors in South Africa and export fuels to a few sub-Saharan African countries.

Natural gas is produced in Mozambique for supply to customers and as feedstock for some of the group's fuel and chemical production in South Africa.

In 2007, Sasol started up its first international joint-venture gas-to-liquids (GTL) plant in Qatar. Through our associate in Nigeria, a second GTL plant is under construction, for planned commissioning in 2011. These two GTL plants incorporate the proprietary Sasol Slurry Phase Distillate™ process. In 2009, Sasol Arya Polymers' two polymer plants, in Iran entered beneficial operation.

The nature of the businesses of the significant operating subsidiaries and incorporated joint ventures is set out on pages 214 to 216.

Financial results

Profit attributable to shareholders of R13 648 million for the year was 39% lower (2008 – 32% higher) than the R22 417 million of the previous year. Earnings per share, after taking into account the share buyback programme, decreased by 39% (2008 – increase of 36%) from R37,30 per share to R22,90 per share.

As set out in note 1, certain comparative information has been reclassified.

Subsidiaries, joint ventures and associates

Subsidiaries

In July 2008, Exel Petroleum (Pty) Limited, acquired the remaining 50,1% of Exelem Aviation (Pty) Limited for a purchase consideration of US$1,7 million.

Associates

On 23 December 2008, Sasol Synfuels International (Pty) Limited reduced its economic interest in the Escravos GTL project in Nigeria for a consideration of US$360 million, retaining a 10% interest therein.

On 24 December 2008, Sasol Group Services (Pty) Limited acquired a 40% interest in Thin Film Solar Technologies SA (Pty) Limited in South Africa, for a purchase consideration of R40 million.

Share capital

New shares issued

16 085 199 preferred ordinary shares and 2 838 565 BEE ordinary shares were issued as part of the Sasol Inzalo share transaction. Note 45 provides further details regarding the share capital of Sasol Limited.

A further 1 745 800 shares were issued during the year in terms of the Sasol Share Incentive Scheme.

Share repurchase programme

At the general meeting held on 30 November 2007, shareholders authorised Sasol Limited to acquire up to 10% of Sasol Limited's issued share capital.

During the year, a wholly-owned subsidiary, Sasol Investment Company (Pty) Limited, acquired 3 216 769 ordinary shares, at a weighted average price of R346,45 per share, representing 1,46% of Sasol's issued share capital, before the Sasol Inzalo share transaction. We have repurchased a total of 40 309 886 ordinary shares at a weighted average price of R299,77 per share since the inception of the programme in 2007. 31 500 000 ordinary shares of the repurchased shares were cancelled during the year for a total value of R7,9 billion, whereupon they were cancelled and restored to authorised share capital. 8 809 886 ordinary shares remain held by Sasol Investment Company (Pty) Limited. Except for the related transaction costs, the repurchase of these ordinary shares had no effect on the consolidated financial results of the group.

Shareholders' equity has been reduced by the cost of these ordinary shares. No dividends are paid outside the group in respect of these ordinary shares.

At the general meeting held on 28 November 2008, shareholders renewed the authority for up to 15 months for Sasol Limited or its subsidiaries to acquire up to 4% of Sasol Limited's issued share capital.

Shares held in reserve

The 492 861 738 authorised but unissued ordinary shares of the Company continue to be held in reserve.

Note 45 provides further details regarding the share capital of Sasol Limited.

American depositary shares

At 30 June 2009, the company had in issue through The Bank of New York Mellon as depositary bank, and listed on the NYSE, 40 141 002 (2008 – 54 351 434) American depositary shares (ADS). Each ADS represents one ordinary share.

Sasol Share Incentive Scheme

In terms of the Sasol Share Incentive Scheme 16 257 400 shares (2008 – 18 005 500 shares) are under the control of the directors for purposes of enabling Sasol Limited to allot shares and to grant options in respect of ordinary shares to present employees, including executive directors of Sasol Limited, its subsidiaries and employees seconded to joint ventures. Following the introduction of the Sasol Share Appreciation Rights Scheme (SAR scheme), no further options are expected to be issued in terms of the Sasol Share Incentive Scheme. Unimplemented share options will not be affected by the SAR Scheme. Note 46.1 provides further details regarding the Sasol Share Incentive Scheme.

Sasol Share Appreciation Rights Scheme

In March 2007, the group introduced the SAR scheme. This scheme replaces the Sasol Share Incentive Scheme. The SAR scheme allows certain senior employees to earn a long-term cash incentive calculated with reference to the increase in the Sasol Limited share price between the offer date of the share appreciation rights to vesting and exercise of such rights. No shares are issued in terms of this scheme and all amounts payable in terms of the scheme will be settled in cash. Note 46.3 provides further details regarding the Sasol Share Appreciation Rights Scheme.

The Sasol Inzalo Employee Trust and The Sasol Inzalo Management Trust (Employee Share Scheme)

In terms of the Employee Share Scheme, 23 339 310 and 1 892 376 shares are under the control of The Sasol Inzalo Employee Trust and The Sasol Inzalo Management Trust, respectively. The shares are held for the purposes of enabling Sasol Limited to allot and grant rights in respect of ordinary shares to present and future employees below managerial level and Sasol black managers and black executives in terms of the Sasol Inzalo share transaction. Note 46.2 provides further details regarding the Employee Share Scheme.

Dividends

An interim dividend of R2,50 per ordinary share (2008 – R3,65 per ordinary share) was paid on 14 April 2009. A final dividend in respect of the year ended 30 June 2009 of R6,00 per ordinary share (2008 – R9,35 per ordinary share) was declared on 11 September 2009.

The total dividend for the year amounted to R8,50 per ordinary share (2008 – R13,00 per share).

The estimated total cash flow of the final dividend of R6,00 per share, payable on 19 October 2009 is R3 629 million.

The board of directors is satisfied that the capital remaining after payment of the final dividend is sufficient to support the current operations and to facilitate future development of the business.

Directors

Mr S Montsi resigned as a non-executive director with effect from 1 August 2008. Mr PV Cox retired as the chairman and as a non-executive director with effect from 28 November 2008. Mrs TH Nyasulu replaced Mr Cox as the chairman on that date. Mrs E le R Bradley retired as a non-executive director with effect from 31 December 2008.

Mr MJN Njeke was appointed as a non-executive director with effect from 4 February 2009. Mr C Beggs was appointed as a non-executive director with effect from 9 July 2009.

The composition of the board of directors is given on pages 12 and 13 of the annual review. The remuneration and fees of Sasol Limited's directors is set out on pages 46 to 56.

Auditors

KPMG Inc. continued in office as auditors of Sasol Limited and its subsidiaries. At the annual general meeting of 27 November 2009, shareholders will be requested to appoint KPMG Inc. auditors of Sasol Limited for the 2010 financial year and it will be noted that Mr AW van der Lith will be the individual registered auditor that will undertake the audit.

Subsequent events

The following non-adjusting events occurred subsequent to 30 June 2009. These are more fully described in note 62:

- Joint venture agreement with Uzbekneftegaz and Petronas signed;
- Decrease in *ad valorem* duties; and
- Closure of Sasol Nitro's Phalaborwa operations.

Secretary

The company secretary of Sasol Limited is Dr NL Joubert. His business and postal addresses appear on page 217.

Special resolutions

The following special resolutions were registered during the financial year.

Effective date	**Resolution**
Sasol Limited	
28 November 2008	To substitute the rights, privileges and conditions attached to the Sasol Preferred Ordinary Shares created during May 2008
28 November 2008	To authorise a specific repurchase by the company of its ordinary shares from a wholly-owned subsidiary
28 November 2008	To authorise directors to approve a general repurchase of the company's ordinary shares

remuneration report

This remuneration report is intended to provide an overview and understanding of the group's remuneration philosophy and practices with specific emphasis on executive and non-executive directors as well as members of the group executive committee (GEC). This report has been approved by the Sasol Limited board (the board).

The remuneration committee (the committee) has functioned as a committee of the Sasol Limited board since 1989 in terms of an agreed mandate reviewed annually by the board. The committee evaluates and monitors Sasol's remuneration philosophy and practices, ensures that they are consistent with sound governance principles and management systems and are aligned with the company's approach to risk management, in that inappropriate risk taking is not incentivised. Other key terms of reference set out in the mandate of the committee include:

- providing guidance on the evaluation of the performance of executive directors;
- determining and recommending to the board the remuneration of executive directors, as well as the chairman and non-executive directors, whose remuneration is subject to shareholder approval;
- reviewing and approving total guaranteed package values including the annual short term and long term incentives granted to executive management;
- reviewing and approving proposals for annual salary adjustments and proposed changes to benefit fund rules across the group;
- approving the principles, formulae applied and group performance targets as well as the achievement thereof on which short-term and long-term incentives are based;
- reviewing and approving the terms and conditions of the executive directors' service agreements; and
- annually assessing the performance of the committee and the committee members.

The terms of reference of the committee are available on the Sasol website at www.sasol.com.

Composition of the committee

The members of the committee for the year under review were:

- Mr HG Dijkgraaf (chairman)
- Mr BP Connellan
- Mr PV Cox (retired 28 November 2008)
- Mr S Montsi (resigned 1 August 2008)
- Ms E le R Bradley (retired 31 December 2008)
- Ms TH Nyasulu (appointed 28 November 2008)

The quorum for decisions of the committee is any two members present.

The chief executive and the executive director: human resources attend meetings by invitation of the committee when it is deemed appropriate to assist the committee in the execution of its mandate. The company secretary also attends the meetings. No member of management, irrespective of their position, is allowed to take part in discussions regarding their own remuneration nor are they present in the meetings when such decisions are taken. External advisors are used to provide advice on market information as and when required. In addition, the committee reviews reports on local and international remuneration trends and practices.

The committee met three times during the year.

In addition to attending to regular matters, the committee also focused on the following matters:

- a holistic review of the group's remuneration strategy and the execution thereof which in turn supports the group's human resources and business strategies and aligns reward practices closer to shareholder value;
- a review of the short-term and long-term incentive plans including the introduction of corporate performance vesting conditions applicable to senior participants of the long-term incentive plan;
- the approval of a new group cash settled medium-term incentive plan, with a three year conditional vesting period, bridging the gap between the 12 month short-term incentive and the long-term incentive plans; and
- the introduction of a "total cost of employment" approach (referred to as total guaranteed package) for all employees.

Group remuneration philosophy and policy

Recognising that the group operates in an international environment and that the delivery of sustainable growth depends on the value we place on our people, the Sasol remuneration philosophy:

- plays an integral part in supporting and achieving the business and people strategies, the employee value proposition (EVP) and the Sasol values;
- creates the framework to design principles that motivate and reinforce individual, team and business performance;
- embraces defensible differentiation as a concept within the ambit of internal and external equity; and
- views rewards holistically through the integration of financial and non-financial components.

Supporting the achievement of all people processes that aim to attract, retain and motivate employees and to "enable our people to reach new frontiers" through integration with other parts of the human resources value chain, continues to be a significant strategic focus.

The global remuneration policy, as adopted by the committee, aspires to assist the company in competing as a preferred employer in the markets in which Sasol operates and to be flexible and competitive in our rewards offering.

The key challenge of the committee's deliberations is to ensure that remuneration practices encourage sustainable performance based on a values-driven organisational culture supported by Sasol's core values of customer focus, winning with people, safety, excellence in all we do, continuous improvement and integrity.

Executive directors

Service contracts

The directors are appointed to the Sasol Limited board based on their ability to contribute expertise and experience appropriate to achieving the group's objectives as an international business.

Executive directors are not employed on fixed-term contracts and have standard employment service agreements with current notice periods of up to three months. If deemed in the interest of the company, the notice period may be extended up to 12 months. An executive director is required to retire from executive management and the board at the age of 60, unless requested by the board to extend his or her term.

The appointment and re-election dates of executive directors are outlined below:

Executive directors	Employment date in the group of companies	Date first appointed to the board	Date last re-elected as a director	Date due for re-election[1]
LPA Davies	1 August 1975	28 August 1997	28 November 2008	26 November 2010
VN Fakude	1 October 2005	1 October 2005	30 November 2007	27 November 2009
AMB Mokaba	1 May 2006	1 May 2006	28 November 2008	26 November 2010
KC Ramon	1 May 2006	1 May 2006	28 November 2008	26 November 2010

1. In terms of the company's articles of association, one-third of the serving directors shall retire at the annual general meeting of the company or, if the total number of serving directors who shall retire does not constitute a multiple of three, the number of directors who shall retire shall be the number, adjusted upwards, that is the closest to one-third.

Executive directors and members of the group executive committee (GEC) render services in terms of dual employment agreements. The executive directors' cash portion of the total guaranteed package and the short-term incentive are determined and paid in terms of separate employment agreements concluded between Sasol Holdings (The Netherlands) BV and the respective executive directors for services rendered outside South Africa. The remuneration paid by Sasol Holdings (The Netherlands) is calculated with reference to the time spent by these directors on services performed offshore for Sasol Holdings (The Netherlands). The requirement to render services in terms of dual employment agreements and/or termination thereof falls within the sole discretion of the chairman of the board for the chief executive and within the sole discretion of the chief executive for the executive directors and GEC.

Remuneration structure and benchmarking

The group's remuneration practices have been structured to be competitive in a global, complex and rapidly evolving industry to ensure that the group can attract, motivate and retain the right calibre of people to achieve the group's objectives. Executive remuneration is benchmarked to data provided in national executive remuneration surveys. Due to the size and unique complexity of the organisation, its business model, multiple value chains and its extensive international footprint, total guaranteed package values are compared to upper quartile values available from South African executive surveys. Allocations under the incentive plans compare with median values in the external market. During the year under review, survey reports from LMO Executive Services (Watson Wyatt), Global Remuneration Solutions (GRS) and 21st Century Pay and Business Solutions were used in addition to published remuneration information of peer companies, in the benchmarking of executive remuneration. Survey data from the Hay Group, ECA, Mercer and Watson Wyatt are used to determine salary increases and remuneration practices for international operations.

The executive directors receive a total guaranteed package which is based on the complexity of the role, the market value thereof, the director's personal performance and contribution to the group's overall performance. An annual short-term incentive is intended to recognise the achievement of the group's performance objectives. Long-term incentives offered through participation in the Sasol Share Incentive Scheme and the Share Appreciation Rights Scheme (SAR scheme) are intended to reward improved group business performance and create alignment with shareholder interests. The Sasol Share Incentive Scheme is a closed plan and no allocations have been made under this scheme since the introduction of the SAR scheme in 2007.

Total guaranteed package

With effect from 1 August 2008, the group adopted a total cost of employment approach (defined as total guaranteed package). Contributions towards retirement, risk, life and medical benefits are included in the total guaranteed package. Executive directors may allocate a car allowance in accordance with the group's vehicle benefit scheme. The balance of the package, after deductions for group retirement and medical funds, are paid as a cash salary. Incentives and salary increases are therefore based on the total guaranteed package value. Executive directors may participate in the group vehicle insurance scheme and elect to be provided with security services, which accumulate as a fringe benefit.

Non-managerial employees forming part of the bargaining units are remunerated on a cash salary plus benefits approach.

Annual increases in the total guaranteed package are determined with reference to the scope and nature of an employee's role, market benchmarks, personal performance and competence. Increases granted for employees who do not form part of a bargaining unit, are determined on the basis of affordability, company performance, projected consumer price index (CPI) figures and projected movements in remuneration in the external market. Annual increases for the GEC take effect on 1 October.

Retirement and risk benefits, including life cover and death-in-service benefits are paid to contributory retirement schemes established and/or approved by the group and subject to the rules of the respective funds. The executive directors are members of the Sasol Pension Fund. Monthly contributions are calculated as a percentage of the pensionable income and the rate of contribution for each executive director is calculated on the basis of the assumption that executive directors will retire at the age of 60 years.

All members of the Sasol Pension Fund have the option to change their pensionable income and monthly contributions made to the Sasol Pension Fund and the risk benefit funds, subject to the rules of those funds.

The cash portion of the total guaranteed package for the financial year is set out in the table below:

Executive directors

	2009 Salary[1] R'000	2008 Salary R'000	Change from 2008 %
LPA Davies	**6 790**	5 758	18%
VN Fakude	**3 394**	2 925	16%
AMB Mokaba	**3 961**	3 386	17%
KC Ramon	**3 506**	2 948	19%

1. The annual increase date is 1 October.

Short-term incentive plans applicable to executive directors

Executive directors participate in the annual group short-term incentive plan reviewed annually by the committee. The short term incentive plan is designed to recognise the achievement of agreed group financial, business unit financial (where applicable), business unit strategic and other key performance objectives of the executive director's respective management portfolio.

At its meeting held on 5 June 2008, the committee reviewed and approved the principles and target bonus percentages applicable for the year 1 July 2008 to 30 June 2009. The chief executive may earn an annual short-term incentive of up to 115% of total guaranteed package, and the executive directors up to 90% of their total guaranteed package. The principal financial driver of the plan that applies to executive directors is year-on-year growth in attributable earnings exceeding the level of inflation (CPI) by an agreed percentage.

The achievement of the financial target forms 70% of the executive directors' incentive bonuses and 80% of the incentive bonus of the chief executive. The balance of the incentive is determined by the extent to which key strategic group and other management portfolio objectives are achieved. Key group strategic drivers include targets agreed for sustainable business performance, safety improvement in all businesses, and the achievement of employment equity targets.

At its meeting of 5 September 2008, the committee considered an overall assessment of the group's performance as well as the performance of the executives participating in the incentive plan for the year 1 July 2007 to 30 June 2008. The achievement against the agreed group financial targets and other group strategic drivers was assessed. The achievement of group attributable earnings growth of 31,6% compared to the target of 16,8% for the year represented a 100% achievement of the target and therefore the maximum incentive was payable on the group performance metric for the executive directors and the chief executive, respectively.

The target of 0,50 recordable case rate was achieved compared to the 0,72 recordable case rate in the previous period, representing a 31% year-on-year improvement. The group furthermore exceeded the employment equity target by achieving a 3,9% improvement against a target of 3%. Therefore, in respect of this achievement, the maximum incentive was payable.

The balance of the incentive was determined by the extent to which the specific business and personal objectives were achieved.

Executive directors

	Total guaranteed package used for calculating incentive R'000	Annual short-term incentive[1] 2008 R'000	Annual incentive as a percentage of total guaranteed package %
LPA Davies	7 581	7 429	98%
VN Fakude	3 941	2 695	68%
AMB Mokaba	4 561	3 108	68%
KC Ramon	4 012	2 796	70%

1. *Annual short-term incentive approved on the results for the 2008 financial year and paid in 2009.*

At its meeting on 11 September 2009, the committee considered an overall assessment for the period 1 July 2008 up until 30 June 2009. The group achieved less than CPI on the year-on-year attributable earnings growth target. The negative growth of 39% therefore results in zero allocation to the incentive. The target of 0,50 recordable case rate was not achieved and therefore zero percent was allocated to the incentive in respect of this target. The group met 88,5% of the employment equity targets during 2009. The balance of the incentive was determined by the extent to which the specific business and personal objectives were achieved.

The committee approved the payment of incentives for 2009 on 11 September 2009.

Executive directors

	Total guaranteed package used for calculating incentive R'000	**Annual short-term incentive approved[1] 2009 R'000**	**Annual incentive as a percentage of total guaranteed package %**
LPA Davies	**8 875**	**1 572**	**17,71%**
VN Fakude	**4 534**	**848**	**18,70%**
AMB Mokaba	**5 248**	**553**	**10,54%**
KC Ramon	**4 697**	**975**	**20,75%**

1. *Annual short-term incentive approved on the results for the 2009 financial year and payable in the following year.*

The performance criteria and metrics of the various Sasol businesses vary depending on business-specific strategic value drivers and key objectives as reviewed and approved for the year by the relevant subsidiary or divisional boards. Financial targets relate mainly to operating profit improvements, fixed cash cost savings and operational and functional excellence.

Long-term incentive plans applicable to executive directors

The long-term incentive plans are designed to retain key employees over a longer period and aligned with the business life cycle and group strategy. The contributions of senior employees for the value they add to the group's performance are also recognised through the long-term incentive plan. In reviewing the incentive plans, a key consideration for the committee was shareholder alignment alongside the need to attract and retain key employees.

Share Appreciation Rights Scheme

Executive directors and senior employees participate in the Sasol Share Incentive Scheme, which has been replaced by the Share Appreciation Rights Scheme (SAR scheme) with effect from 1 March 2007. Although no new share options are granted in terms of the Sasol Share Incentive Scheme, existing unimplemented share options are unaffected by the introduction of the SAR scheme. Share appreciation rights are granted to executive directors and senior staff in relation to their respective positions, their level in the organisation, their individual contribution to the business and the improvement of the group's performance against a predetermined financial target.

The SAR scheme committee, consisting of the members of the remuneration committee, approves grants under the following circumstances:

- upon promotion of an employee to the qualifying level for share appreciation rights as well as any subsequent promotion; and
- upon appointment to the group on the qualifying level.

In addition, the scheme committee has the power to approve the award of annual supplementary share appreciation rights to existing participants of the scheme. The formulae in terms of which such awards are made, was reviewed by the scheme committee at their meeting on 5 June 2008. In terms of the current formulae, the number of share appreciation rights for executive directors, are based on the following:

- for promotions and new appointments, a multiple of the total annual guaranteed package as approved for the post level divided by the moving average share price over 24 months, prior to the grant of the share appreciation rights; and
- for supplementary share appreciation rights, the number of share appreciation rights are determined, amongst others, by an individual performance rating factor based on an assessment of the individuals' performance against annually agreed performance targets for the previous financial year and the extent to which the company's growth targets on attributable earnings have been met. The company performance factor is determined when the company's growth in attributable earnings exceeds the level of inflation by an agreed percentage, thereby ensuring that executives are rewarded for achieving real growth in earnings as compared to CPI.

The SAR scheme provides qualifying employees the opportunity to receive long-term incentive remuneration payments based on the increase in value of Sasol shares over certain prescribed periods of time. Participants are not entitled to any rights to Sasol shares but are awarded conditional rights to claim a future cash amount calculated with reference to the increase in the market value of a Sasol Limited ordinary share between the date of the grant of the right (issue price) and the exercise of the right (exercise price).

The trustees of the Sasol Share Trust granted share options in terms of the Sasol Share Incentive Scheme up to 28 February 2007.

Options (in terms of the Sasol Share Incentive Scheme) and share appreciation rights (in terms of the SAR scheme) vest as follows:

- two years – first third
- four years – second third
- six years – final third

Options and share appreciation rights are exercisable up to a maximum of nine years from the date of allocation.

On retirement at normal retirement age the share options or share appreciation rights vest immediately and can be exercised before the expiry of the nine year period. On resignation, share options or rights which have not yet vested will lapse unless decided otherwise by the board or the appropriate delegated authority (trustees of the Sasol Share Incentive Scheme or SAR scheme committee). Share options or rights which have vested may be taken up before the last day of service.

Share appreciation rights awarded during the year under review were based on the approved formula being 15% of a ten times multiple of annual total guaranteed package for the chief executive adjusted for personal and corporate performance. The executive directors were granted rights on the approved formula being 15% of a seven times multiple of annual total guaranteed package for the executive directors adjusted for personal and corporate performance. For grants made in the next financial year to the chief executive and executive directors, corporate performance criteria will be applied.

Medium-term incentive plan

The committee approved the introduction of a medium-term incentive plan to compliment the current portfolio of the short-term and long-term incentive schemes and allow qualifying employees an opportunity to participate in the growth of the company. The initial implementation in the next year will be cost-neutral to the company.

The strategic intention of the medium-term incentive is the attraction and retention of key employees and to create alignment with shareholder interests. This scheme provides a balance in terms of incentives offered that stretch from 12 months (short-term incentive scheme) to the long-term incentive plan that has a life of nine years. The implementation of a cash settled notional share scheme has a three year vesting period. Selected qualifying employees will receive grants of notional shares under this scheme for no consideration. The notional issuing of notional shares will be made annually by the scheme committee to qualifying participants based on agreed performance or other conditional criteria. At the end of the vesting period, subject to the achievement of all conditions, the value of the grant will be determined by the number of notional shares multiplied by the share price on the day preceding the date of vesting. This value will be paid out in cash, less any statutory deductions, to participants.

Participation in the Sasol Inzalo Management Scheme

On 16 May 2008, Sasol shareholders approved the Sasol Inzalo black economic empowerment (BEE) transaction. As part of this transaction, senior black management, including black executive directors and members of the group executive committee, participated in the Sasol Inzalo Management Scheme and were awarded rights to Sasol ordinary shares. The rights entitle the employees from the inception of the scheme to receive Sasol ordinary shares at the end of ten years, being the tenure of the transaction, subject to Sasol's right to repurchase some of the shares issued to The Sasol Inzalo Management Trust (Management Trust) in accordance with a pre-determined repurchase formula. The formula takes into account the underlying value of the share on 18 March 2008, the dividends not received by the Management Trust as a result of the pre-conditions attached to those shares and the price of Sasol ordinary shares at the end of the ten years.

The rights also entitle the holder thereof, from inception of the scheme, to receive, in proportion to their respective rights, ordinary dividends received by the Management Trust on the Sasol ordinary shares during the ten year period. The Management Trust subscribed for the ordinary shares on the pre-condition that it will receive only 50% of the ordinary dividends paid on the Sasol ordinary shares.

On retirement at normal retirement age, early retirement, retrenchment due to operational requirements or on leaving the employ of Sasol due to ill health during the tenure of the Sasol Inzalo transaction, the black managers (as defined in the Deed of Trust for The Sasol Inzalo Management Trust) will retain their entire allocation of rights until the end of the ten year period, subject to Sasol's repurchase right referred to above. The nominated beneficiaries or heirs of those black managers, who die at any time during the transaction period, will succeed to their entire allocation ofrights. On resignation within the first three years of having been granted these rights, all rights will be forfeited. On resignation after three yearsor more from being granted the rights, the black managers will forfeit 10% of their rights for each full year or part thereof remaining from the date of resignation until the end of the transaction period. Black managers leaving the employ of Sasol during the ten year period by reason of dismissal, for reasons other than operational requirements, will forfeit their rights to Sasol ordinary shares.

Executive directors' emoluments

Remuneration and benefits paid and incentives approved in respect of the 2009 financial year for executive directors were as follows:

Executive directors

	Salary R'000	Retirement funding R'000	Other benefits R'000	Annual incentives approved[1] R'000	**Total 2009[3] R'000**	Total 2008[4] R'000
LPA Davies	6 790	1 396	522	1 572	**10 280**	14 744
VN Fakude	3 394	653	528	848	**5 423**	6 657
AMB Mokaba	3 961	764	712	553	**5 990**	7 806
TS Munday[2]	n/a	n/a	n/a	n/a	**n/a**	16 165
KC Ramon	3 506	675	399	975	**5 555**	6 689
Total	17 651	3 488	2 161	3 948	**27 248**	52 061

1. *Incentives approved on the group results for the 2009 financial year and payable in the following year. Incentives are calculated as a percentage of total guaranteed package. The difference between the total amount approved as at 11 September 2009 and the total amount accrued as at 30 June 2009 represents an over-provision of R3,4 million. The under provision (R1,4 million) for 2008 was also expensed in 2009.*
2. *Mr Munday retired as an employee with effect from 1 July 2007.*
3. *Total remuneration for the financial year excludes gains derived from share incentives, details of which are disclosed on page 54.*
4. *Includes incentives approved on the group results for the 2008 financial year and paid in 2009.*

Benefits and payments made in the 2009 financial year disclosed in the table above as "other benefits" include:

Executive directors

	Vehicle benefits R'000	Medical benefits R'000	Vehicle insurance fringe benefits R'000	Security benefits R'000	Exchange rate fluctuation[1] R'000	**Total other benefits 2009 R'000**	Total other benefits 2008 R'000
LPA Davies	321	45	5	44	107	**522**	497
VN Fakude	303	42	5	164	14	**528**	448
AMB Mokaba	303	50	5	351	3	**712**	631
TS Munday[2]	n/a	n/a	n/a	n/a	n/a	**n/a**	16 165
KC Ramon	303	45	5	27	19	**399**	352
Total	1 230	182	20	586	143	**2 161**	18 093

1. *Rand equivalent of exchange rate fluctuations on cash salary and incentive of offshore components.*
2. *Payments made to Mr Munday include a payment of R16 million in respect of a restraint of trade agreement which became effective after his retirement on 1 July 2007, proceeds of a retirement policy payable on retirement (R138 000) and security benefits (R27 000).*

Group executive committee

The total remuneration of members of the GEC other than the executive directors was reviewed by the committee at its meeting held on 5 September 2008 by applying principles consistent with those for executive directors. The members of the GEC participate in the group short-term incentive and long-term incentive schemes under similar terms as detailed above. The aggregate short-term incentive in respect of the 2008 financial year calculated as a percentage of the total guaranteed package and paid during 2009 was R18,7 million.

The aggregate remuneration and benefits paid and incentives approved for 2009 to members of the GEC (excluding that of the executive directors as disclosed separately above) is set out in the table below:

Group executive committee

	Salary R'000	Retirement funding R'000	Other benefits[2] R'000	Annual incentive[1] approved R'000	**Total 2009[3] R'000**	Total 2008[2 4] R'000
Total	30 015	3 394	11 938	4 589	**49 936**	61 505
Number of members[3]					**7**	7

1. *Incentives approved on the group results for the 2009 financial year and payable in the following year. Incentives are calculated as a percentage of total guaranteed package. The difference between the total amount approved as at 11 September 2009 and the total amount accrued as at 30 June 2009 represents an over provision of R7,3 million. The over provision for 2008 (R412 000) was also reversed in 2009.*
2. *Other benefits include vehicle benefits, medical benefits, vehicle insurance fringe benefits and exchange rate fluctuations.*
3. *Two members resigned as GEC members with effect from 1 November 2008 and 1 January 2009, respectively, and two members were appointed as GEC members with effect from 1 April 2009.*
4. *Includes incentives approved on the group results for the 2008 financial year and paid in 2009.*

Non-executive directors

Non-executive directors are appointed to the Sasol Limited board based on their ability to contribute competence, insight and experience appropriate to assisting the group to achieve its objectives. Non-executive directors receive fixed fees for services on boards and board committees. Non-executive directors do not receive short-term incentives, nor do they participate in any long-term incentive scheme. No arrangement exists for emoluments for loss of office.

The board recommends the fees payable to the chairman and non-executive directors for approval by the shareholders. Proposals for fees are determined considering the increased responsibility placed on non-executive directors due to increasingly burdensome legal and regulatory requirements and the commensurate increased risk assumed. Fees are approved for an annual period commencing on 1 July each year. Benchmarking information of companies of similar size and complexity and projected inflation rate over the period are considered when determining the annual recommended increase in fees. The revised fees of the non-executive directors, effective from 1 July 2009, will be submitted to the shareholders for approval at the annual general meeting (AGM) to be held on 27 November 2009.

The annual fees payable to non-executive directors for the period commencing 1 July 2008 were approved by shareholders on 28 November 2008. Fee increases are implemented retrospectively after approval by shareholders.

Annual non-executive directors' fees are as follows for the following periods:

		2009		2008	
		Member Rand	**Chairman Rand**	Member Rand	Chairman Rand
Chairman of the board, inclusive of fees payable for attendance or membership of board committees and directorships of the company and of subsidiary and divisional boards	TH Nyasulu (chairman from 28 November 2008)		**2 187 500**		
	PV Cox (chairman until 28 November 2008)		**1 562 500**		3 750 000
Lead independent director (additional)	Resident	**111 000**		n/a	
Lead independent director (additional)	Non-resident	**US$33 000**		n/a	
Sasol Limited board	Resident non-executive director	**318 000**		286 000	
	Non-resident non-executive director	**US$110 000**		US$99 000	
Audit committee		**159 000**	**318 000**	143 000	286 000
Remuneration committee		**98 000**	**196 000**	88 000	176 000
Risk and safety, health and environment committee		**98 000**	**196 000**	88 000	176 000
Nomination and governance committee		**98 000**	**196 000**	88 000	176 000
Subsidiary or divisional boards		**159 000**		143 000	286 000
Share Incentive Scheme trustees		**63 500**	**127 000**	57 200	114 400

The chairmen of the board committees are paid double the meeting fees of a member of such a committee and directors attending ad hoc committee meetings of the board are paid R15 000 per meeting. Executive directors do not receive directors' fees.

A non-executive director is required to retire at the end of the calendar year in which the director turns 70, unless the board, subject to the articles of association and by unanimous resolution on a year-to-year basis, extends the director's term of office until the end of the year in which he or she turns 73.

Details of the non-executive directors' appointments are listed below:

Non-executive directors	Date first appointed to the board	Date last re-elected as a director	Date of resignation	Date due for re-election[1]
C Beggs	9 July 2009	n/a	n/a	27 November 2009
E le R Bradley	23 February 1998	23 November 2007	31 December 2008	n/a
BP Connellan	1 November 1997	28 November 2008	n/a	27 November 2009
PV Cox	1 January 1996	23 November 2006	28 November 2008	n/a
HG Dijkgraaf	16 October 2006	23 November 2006	n/a	27 November 2009
MSV Gantsho	1 June 2003	28 November 2008	n/a	26 November 2010
A Jain	1 July 2003	28 November 2008	n/a	26 November 2010
IN Mkhize	1 January 2005	30 November 2007	n/a	27 November 2009
S Montsi	1 March 1997	30 November 2007	31 July 2008	n/a
MJN Njeke	4 February 2009	n/a	n/a	27 November 2009
TH Nyasulu	1 June 2006	28 November 2008	n/a	26 November 2010
JE Schrempp	21 November 1997	28 November 2008	n/a	26 November 2010
TA Wixley	8 March 2007	30 November 2007	n/a	27 November 2009

1. *In terms of the company's articles of association, one-third of the serving directors shall retire at the annual general meeting of the company or, if the total number of serving directors who shall retire does not constitute a multiple of three, the number of directors who shall retire shall be the number, adjusted upwards, that is the closest to one-third. In addition, directors who are appointed during the year shall retire at the annual general meeting and are eligible for re-election.*

Non-executive directors' remuneration for the year was as follows:

Non-executive directors	Board meeting fees[7] R'000	Committee fees R'000	Share incentive trustee fees R'000	**Total 2009 R'000**	Total 2008 R'000
E le R Bradley[1]	159	178	63	**400**	747
BP Connellan	348	514	127	**989**	931
PV Cox[2]	1 324	238	–	**1 562**	3 750
HG Dijkgraaf[3]	1 099	384	11	**1 494**	1 060
MSV Gantsho	318	159	–	**477**	490
A Jain[3]	1 038	–	–	**1 038**	747
IN Mkhize	348	98	–	**446**	410
S Montsi[4]	27	33	5	**65**	744
MJN Njeke[5]	148	66	–	**214**	n/a
TH Nyasulu (Chairman)[6]	2 138	212	11	**2 361**	422
JE Schrempp (Lead independent director)[3]	1 273	159	–	**1 432**	897
TA Wixley	348	257	–	**605**	513
Total	8 568	2 298	217	**11 083**	10 711

1. *Retired as director of Sasol Limited on 31 December 2008.*
2. *Retired as chairman of Sasol Limited on 28 November 2008.*
3. *Board meeting fees paid in US dollars. Rand equivalent of US$110 000 at actual exchange rates.*
4. *Resigned as a director of Sasol Limited on 31 July 2008.*
5. *Appointed as non-executive director of Sasol Limited on 4 February 2009. The fees are paid directly to Mr Njeke's employer.*
6. *Appointed as chairman of Sasol Limited with effect from 28 November 2008.*
7. *Includes fees for ad hoc meetings attended during the year.*

Long-term incentive plans

The interests of the directors in the form of share options are shown in the tables below. During the year to 30 June 2009 the highest and lowest closing market prices for the company's shares were R471,00 (on 1 July 2008) and R216,56 (on 24 November 2008), and the closing market price on 30 June 2009 was R269,98.

No variations have been made to the terms and conditions of the options during the relevant period.

	Balance at beginning of year (number)[1]	Share options implemented (number)	**Balance at end of year[2] (number)**
Executive directors			
LPA Davies	636 300	65 000	**571 300**
VN Fakude	81 900	–	**81 900**
AMB Mokaba	94 000	–	**94 000**
KC Ramon	81 700	–	**81 700**
Non-executive directors			
PV Cox[3]	116 700	–	**116 700**
Total share options	1 010 600	65 000	**945 600**

1. The balance of options represents the accumulated number of options granted (less implemented) over the preceding years.
2. No share options were granted during the period under review as a result of the replacement of the Sasol Share Incentive Scheme with the SAR Scheme with effect from 1 March 2007.
3. The share options were granted to Mr Cox while he was an executive director.

Share appreciation rights granted during 2009 – directors

	Balance at beginning of year (number)	Granted (number)	Average offer price per share (Rand)	Grant date	**Balance at end of year (number)**
Executive directors					
LPA Davies	55 200	70 800	352,10	11 Sep 2008	**126 000**
VN Fakude	17 100	22 400	352,10	11 Sep 2008	**39 500**
AMB Mokaba	–	25 900	352,10	11 Sep 2008	**25 900**
KC Ramon	–	23 200	352,10	11 Sep 2008	**23 200**
Total share appreciation rights	72 300	142 300			**214 600**

Sasol Inzalo Management Scheme rights granted during 2009 – directors

	Balance at beginning of year (number)	Rights granted (number)	Value of underlying share (Rand)	Grant date	Effect of resignations/ retirements (number)	**Balance at end of year (number)**
Executive directors						
VN Fakude	25 000	–	–	–	–	**25 000**
AMB Mokaba	25 000	–	–	–	–	**25 000**
KC Ramon	25 000	–	–	–	–	**25 000**
Total Sasol Inzalo Management Scheme vested rights	75 000	–	–	–	–	**75 000**

At grant date on 3 June 2008, the issue price of the underlying share of R366,00 was the 60 day volume weighted average price of Sasol ordinary shares to 18 March 2008. The shares were issued to The Sasol Inzalo Management Trust at R0,01 per share.

Share options implemented and share appreciation rights granted during 2009 – group executive committee[1]

	Balance at beginning of year (number)	Effect of change in composition of group executive committee (number)	Granted (number)	Average offer price per share (Rand)	Grant date	Share options implemented (number)	**Balance at end of year (number)**
Share options[2]	559 600	66 500	–	–	–	20 100	**606 000**
Share appreciation rights	157 000	(27 700)	145 100	352,10	11 Sept 2008	–	**274 400**

1. *Excluding the executive directors disclosed separately in the table above.*
2. *Includes share options issued to individuals during the year before they became members of the GEC.*

Share options implemented – directors

	Implementation dates	Share options implemented (number)	Average offer price per share (Rand)	Market price per share (Rand)	Gain on implementation of share options **2009 R'000**	2008 R'000
Executive directors						
LPA Davies	12 September 2008	13 600	42,30	360,01	**4 321**	5 395
	25 September 2008	51 400	54,00	357,99	**15 625**	–
VN Fakude		–	–	–	**–**	6 258
Non-executive directors						
PV Cox[1]		–	–	–	**–**	20 297
Total		65 000			**19 946**	31 950

1. *The share options implemented were granted to Mr Cox when he was an executive director.*

Share options implemented – group executive committee[1]

	Share options implemented (number)	Gain on implementation of share options **2009 R'000**	2008 R'000
Group executive committee[2]	20 100	**4 797**	38 406

1. *Excluding the executive directors disclosed separately in the table above.*
2. *Included in the total share options implemented are the gains on the implementation of 20 100 share options on which the shares were retained by members. A gain of R4 796 908 on the implementation of these share options was determined using the closing share price on the date of implementation.*

Share options outstanding at the end of the year vest during the following periods:

	Already vested (number)	Within one year (number)	One to two years (number)	Two to five years (number)	More than five years (number)	**Total (number)**
Executive directors						
LPA Davies	385 400	11 100	29 000	145 800	–	**571 300**
VN Fakude	41 200	–	–	40 700	–	**81 900**
AMB Mokaba	31 300	–	31 300	31 400	–	**94 000**
KC Ramon	27 200	–	27 200	27 300	–	**81 700**
Non-executive directors						
PV Cox[1]	116 700	–	–	–	–	**116 700**
Total	601 800	11 100	87 500	245 200	–	**945 600**

1. *The share options were granted to Mr Cox when he was an executive director.*

Share appreciation rights outstanding at the end of the year vest during the following periods:

	Already vested (number)	Within one year (number)	One to two years (number)	Two to five years (number)	More than five years (number)	**Total (number)**
Executive directors						
LPA Davies	–	18 400	23 600	60 400	23 600	**126 000**
VN Fakude	–	5 700	7 500	18 900	7 400	**39 500**
AMB Mokaba	–	–	8 600	8 600	8 700	**25 900**
KC Ramon	–	–	7 700	7 700	7 800	**23 200**
Total	–	24 100	47 400	95 600	47 500	**214 600**

Share options and share appreciation rights outstanding at the end of the year vest during the following periods:

	Already vested (number)	Within one year (number)	One to two years (number)	Two to five years (number)	More than five years (number)	**Total (number)**
Group executive committee[1]						
Share options	374 900	93 900	48 900	88 300	–	**606 000**
Share appreciation rights	–	64 100	55 300	118 900	36 100	**274 400**

1. *Excluding the executive directors disclosed separately in the table above.*

Beneficial shareholding

The aggregate beneficial shareholding at 30 June 2009 of the directors of the company and the group executive committee and their associates (none of which have a holding greater than 1%) in the issued ordinary share capital of the company are detailed below.

	2009				2008			
	Number of shares		**Number of share**	**Total beneficial**	Number of shares		Number of share	Total beneficial
Beneficial shareholding	**Direct**	**Indirect[1]**	**options[2]**	**shareholding**	Direct	Indirect[3]	options[2]	shareholding
Executive directors								
LPA Davies	**86 700**	**221**	**385 400**	**472 321**	21 700	212	277 800	299 712
VN Fakude	**1 500**	**–**	**41 200**	**42 700**	–	–	600	600
AMB Mokaba	**–**	**–**	**31 300**	**31 300**	–	–	–	–
KC Ramon	**21 500**	**41 556**	**27 200**	**90 256**	–	–	–	–
Non-executive directors								
E le R Bradley[4]	**n/a**	**n/a**	**n/a**	**n/a**	97 494	–	–	97 494
BP Connellan	**10 500**	**–**		**10 500**	10 500	–	–	10 500
PV Cox[4, 5]	**n/a**	**n/a**	**n/a**	**n/a**	281 409	–	116 700	398 109
IN Mkhize	**1 313**	**18 626**	**–**	**19 939**	–	–	–	–
TH Nyasulu	**–**	**1 450**	**–**	**1 450**	–	–	–	–
TA Wixley	**2 500**	**–**	**–**	**2 500**	1 300	–	–	1 300
Total	**124 013**	**61 853**	**485 100**	**670 966**	412 403	212	395 100	807 715

1. *Includes units held in the Sasol Share Savings Trust and shares held through Sasol Inzalo Public Limited.*
2. *Including share options which have vested or which vest within sixty days of 30 June 2009.*
3. *Includes units held in the Sasol Share Savings Trust.*
4. *Retired during 2009.*
5. *The share options were granted when Mr Cox was still an executive director.*

There have been no changes in the direct or indirect beneficial interests of the directors and their associates between 30 June 2009 and 28 September 2009.

Beneficial shareholding for 2009 disclosed in the table above includes shares held by the following black directors and their associates as a result of their participation in the Sasol Inzalo share transaction on 8 September 2008:

	2009	
	Number of Sasol BEE ordinary shares	**Number of Sasol Inzalo ordinary shares**
Executive directors		
KC Ramon	–	**41 556[1]**
Non-executive directors		
IN Mkhize	**313**	**18 626**
TH Nyasulu	–	**1 450**
Total	**313**	**61 632**

1. This includes an effective interest in 427 Sasol Inzalo ordinary shares owned by Melanani Investments (Pty) Limited in which Ms KC Ramon has a 15% interest and an effective interest in 655 Sasol Inzalo ordinary shares owned by Melanani Womens Investments (Pty) Limited in which Ms KC Ramon has a 20% interest.

The Sasol BEE ordinary shares rank pari passu with Sasol ordinary shares in all respects except that they are not listed and cannot be traded for the first two years, and will have limited trading rights for a period of eight years thereafter. Sasol Inzalo Public Limited (Sasol Inzalo) indirectly held 2,4% of the issued capital of Sasol on 30 June 2009 in the form of unlisted preferred ordinary shares. The Sasol Inzalo ordinary shares cannot be traded for the first three years and will have limited trading rights for a period of seven years thereafter.

Share ownership of senior managers under the JSE Listings Requirements

	2009			2008		
Beneficial shareholding	**Number of shares[1]**	**Number of share options[2]**	**Total beneficial shareholding**	Number of shares[1]	Number of share options[2]	Total beneficial shareholding
Group executive committee[3]	**8 985**	**374 900**	**383 885**	108 274	188 600	296 874

1. Includes units held in the Sasol Share Savings Trust.
2. Including share options which have vested or which vest within sixty days of 30 June 2009.
3. Excluding the executive directors disclosed separately in the table above.

Interest of directors in contracts

The directors of the company declare their interest in any transactions with the company in terms of the South African Companies Act of 1973 (the Act) from time to time. In accordance with the requirements of the Act, Sasol Limited maintains a register of directors' interests in contracts.

Mrs TH Nyasulu, the non-executive chairman of the company, is also a director of Sasol Oil (Pty) Limited, a subsidiary of Sasol Limited, and Tshwarisano LFB Investment (Pty) Limited, and indirectly holds 1,275% of the shares of Sasol Oil through her 5,1% indirect holding in Tshwarisano LFB Investment (Pty) Limited.

accounting policies and financial reporting terms

Sasol Limited is the holding company of the Sasol group (the group) and is domiciled in the Republic of South Africa. The following principal accounting policies were applied by the group for the financial year ended 30 June 2009. Except as otherwise disclosed, these policies are consistent in all material respects with those applied in previous years.

Financial reporting terms

These definitions of financial reporting terms are provided to ensure clarity of meaning as certain terms may not always have thesame meaning or interpretation in all countries.

Group structures

Associate	An entity, other than a subsidiary or joint venture, in which the group, holding a material long-term interest, has significant influence over financial and operating policies.
Business unit	An operation engaged in providing similar goods or services that are different to those provided by other operations. The primary business units are: **South African energy cluster** ■ Sasol Mining ■ Sasol Gas ■ Sasol Synfuels ■ Sasol Oil ■ Other **International energy cluster** ■ Sasol Synfuels International ■ Sasol Petroleum International **Chemical cluster** ■ Sasol Polymers ■ Sasol Solvents ■ Sasol Olefins & Surfactants ■ Other chemical businesses including: – Sasol Wax – Sasol Nitro – Merisol – Sasol Infrachem **Classified as 'other businesses' in the segment report:** ■ Sasol Technology ■ Sasol Financing ■ Corporate head office functions ■ Alternative energy businesses In the notes to the financial statements, where items classified as "other businesses" are material, the amounts attributable to these businesses have been specified.
Company	A legal business entity registered in terms of the applicable legislation of that country.
Entity	Sasol Limited, a subsidiary, joint venture, associate or special purpose entity.
Foreign operation	An entity whose activities are based or conducted in a country or currency other than those of the reporting entity (Sasol Limited).
Group	The group comprises Sasol Limited, its subsidiaries and its interest in joint ventures, associates and special purpose entities.
Joint venture	An economic activity over which the group exercises joint control established under a contractual arrangement.
Operation	A component of the group: – that represents a separate major line of business or geographical area of operation; and – is distinguished separately for financial and operating purposes.
Subsidiary	Any entity over which the group has the power to exercise control.
Special purpose entity	An entity established to accomplish a narrow and well defined objective, including the facilitation of the group's black economic empowerment transactions.

General accounting terms

Acquisition date	The date on which control in subsidiaries, special purpose entities, joint control in joint ventures and significant influence in associates commences.
Assets under construction	A non-current asset which includes expenditure capitalised for work in progress in respect of activities to develop, expand or enhance items of property, plant and equipment, intangible assets and exploration assets.
Cash generating unit	The smallest identifiable group of assets which can generate cash inflows independently from other assets or groups of assets.
Commissioning date	The date that an item of property, plant and equipment, whether acquired or constructed, is brought into use.
Consolidated group financial statements	The financial results of the group which comprise the financial results of Sasol Limited and its subsidiaries, special purpose entities, the proportionate interest in the financial results of joint ventures and its interest in associates.
Construction contract	A contract specifically negotiated with a third party for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.
Control	The ability, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain economic benefit from its activities. When assessing the ability to control an entity, the existence and effect of potential voting rights that are presently exercisable or convertible are taken into account.
Discontinued operation	An operation that, pursuant to a single plan, has been disposed of or abandoned or is classified as an operation held for sale.
Discount rate	The rate used for purposes of determining discounted cash flows defined as the yield on AAA credit rated bonds (for entities outside South Africa) and relevant South African Government bonds (for South African entities) that have maturity dates approximating the term of the related cash flows. This pre-tax interest rate reflects the current market assessment of the time value of money. To the extent that, in determining the cash flows, the risks specific to the asset or liability are taken into account in determining those cash flows, they are not included in determining the discount rate.
Disposal date	The date on which control in subsidiaries, special purpose entities, joint control in joint ventures and significant influence in associates ceases.
Exploration assets	Capitalised expenditure relating to the exploration for and evaluation of mineral resources (coal, oil and gas).
Fair value	The value for which an asset could be exchanged or a liability settled in a market related transaction.
Financial results	Comprise the financial position (assets, liabilities and equity), results of operations (revenue and expenses) and cash flows of an entity and of the group.
Functional currency	The currency of the primary economic environment in which the entity operates.
Long-term	A period longer than twelve months from the reporting date.
Mineral assets	Capitalised expenditure relating to producing coal, oil and gas properties including development costs and previously capitalised exploration assets.
Other comprehensive income	Comprises items of income and expense (including reclassification adjustments) that are not recognised in the income statement and includes the effect of translation of foreign operations, cash flow hedges, available-for-sale financial assets and changes in revaluation reserves.
Presentation currency	The currency in which financial results of an entity are presented.
Qualifying asset	An asset that necessarily takes a substantial period (normally in excess of twelve months) of time to get ready for its intended use.
Recoverable amount	The amount that reflects the greater of the fair value less costs to sell and value in use that can be attributed to an asset as a result of its ongoing use by the entity. In determining the value in use, expected future cash flows are discounted to their present values using the discount rate.
Related party	Parties are considered to be related if one party directly or indirectly has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial and operating decisions or is a member of the key management of Sasol Limited.
Revenue	Comprises turnover, dividends received and interest received.

General accounting terms continued

Share-based payment	A transaction in which an entity issues equity instruments, share options or incurs a liability to pay cash based on the price of the entity's equity instruments to another party as compensation for goods received or services rendered.
Significant influence	The ability, directly or indirectly, to participate in, but not exercise control over, the financial and operating policy decisions of an entity so as to obtain economic benefit from its activities.
Turnover	Comprises revenue generated by operating activities and includes sales of products, services rendered, license fees and royalties, net of indirect taxes, rebates and trade discounts.

Financial instrument terms

Available-for-sale financial asset	A financial asset that has been designated as available-for-sale or a financial asset other than those classified as loans and receivables, held-to-maturity investments or derivative instruments. An investment intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, is classified as a non-current available-for-sale financial asset.
Cash and cash equivalents	Comprise cash on hand, demand deposits and other short-term highly liquid investments with a maturity period of three months or less at date of purchase.
Cash flow hedge	A hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a forecasted transaction.
Derivative instrument	A financial instrument: ■ whose value changes in response to movements in a specified interest rate, commodity price, foreign exchange rate or similar variable; ■ that requires minimal initial net investment; and ■ whose terms require or permit settlement at a future date.
Effective interest rate	The derived rate that discounts the expected future cash flows to the current net carrying amount of the financial asset or financial liability.
Equity instrument	Any financial instrument (including investments) that evidences a residual interest in the assets of an enterprise after deducting all of its liabilities.
Financial asset	Cash or cash equivalents, a right to receive cash, an equity instrument or a right to exchange a financial instrument under favourable conditions.
Financial liability	A contractual obligation to pay cash or transfer other benefits or an obligation to exchange a financial instrument under unfavourable conditions. This includes debt.
Financial guarantee	A contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of the debt instrument.
Held-to-maturity investment	A financial asset with a fixed maturity and fixed or determinable future payments, that management has the positive intent and ability to hold to maturity. Such a financial asset is classified as a non-current asset, except when it has a maturity within twelve months from the reporting date, in which case it is classified as a current asset.
Loans and receivables	A financial asset with fixed or determinable repayments that are not quoted in an active market, other than: ■ a derivative instrument; or ■ an available-for-sale financial asset.
Monetary asset	An asset which will be settled in a fixed or determinable amount of money.
Monetary liability	A liability which will be settled in a fixed or determinable amount of money.
Transaction date	The date an entity commits itself to purchase or sell a financial instrument.

Statement of compliance

The consolidated financial statements are prepared in compliance with International Financial Reporting Standards (IFRS) and Interpretations of those standards, as issued by the International Accounting Standards Board and applicable legislation. The consolidated financial statements were approved for issue by the Board of Directors on 11 September 2009 and are subject to approval by the Annual General Meeting of shareholders on 27 November 2009.

During the current financial year, the following accounting standards, interpretations and amendments to published accounting standards were adopted:

- IAS 39 and IFRS 7 (Amendments), Reclassification of Financial Assets – effective Date and Transition.

The following accounting standards, interpretations and amendments to published accounting standards were adopted prior to their effective dates:

- IAS 27 (Amendment), Consolidated and Separate Financial Statements;
- IFRS 1 and IAS 27 (Amendment), Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate;
- IAS 39 (Amendment), Eligible Hedged Items;
- IFRS 3 (Revised), Business Combinations;
- IFRS 5 (Amendment), Non-current Assets Held for Sale and Discontinued Operations;
- IFRS 7 (Amendment), Financial Instruments: Disclosures – Improving disclosures about Financial Instruments;
- IFRIC 16, Hedges of a Net Investment in a Foreign Operation;
- IFRIC 18, Transfers of Assets From Customers; and
- Various Improvements to IFRSs.

These newly adopted standards did not significantly impact our financial results.

The following accounting standards, interpretations and amendments to published accounting standards which are relevant to Sasol but not yet effective, have not been adopted in the current year:

- IAS 23 (Revised), Borrowing Costs.

Principal accounting policies

Basis of preparation of financial results

The consolidated financial statements are prepared using the historic cost convention except that, as set out in the accounting policies below, certain items, including derivatives and available-for-sale financial assets, are stated at fair value.

The consolidated financial statements are prepared on the going concern basis.

Except as otherwise disclosed, these accounting policies are consistent with those applied in previous years.

These accounting policies are consistently applied throughout the group.

Basis of consolidation of financial results

The consolidated financial statements reflect the financial results of the group. All financial results are consolidated with similar items on a line by line basis except for investments in associates, which are included in the group's results as set out below.

Inter-company transactions, balances and unrealised gains and losses between entities are eliminated on consolidation. To the extent that a loss on a transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss of a non-current asset, that loss is charged to the income statement.

In respect of joint ventures and associates, unrealised gains and losses are eliminated to the extent of the group's interest in these entities. Unrealised gains and losses arising from transactions with associates are eliminated against the investment in the associate.

Subsidiaries The financial results of subsidiaries are consolidated into the group's results from acquisition date until disposal date. The existence of potential voting rights that are currently exercisable or convertible are also considered when assessing whether the group controls another entity.

Special purpose entities The financial results of special purpose entities (SPE) are consolidated into the group's results from the date that the group controls the SPE until the date that control ceases. Control is based on an evaluation of the substance of the SPE's relationship with the group and the SPE's risks and rewards.

Joint ventures The proportionate share of the financial results of joint ventures are consolidated into the group's results from acquisition date until disposal date.

Associates The financial results of associates are included in the group's results according to the equity method from acquisition date until the disposal date.

Under this method, subsequent to the acquisition date, the group's share of profits or losses of associates is charged to the income statement as equity accounted earnings and its share of movements in equity reserves is recognised as other comprehensive income, except where the movement in equity reserves relates to the group in its capacity as owner where it is recognised in the statement of changes in equity. All cumulative post-acquisition movements in the equity of associates are adjusted against the cost of the investment. When the group's share of losses in associates equals or exceeds its interest in those associates, the group does not recognise further losses, unless the group has incurred a legal or constructive obligation or made payments on behalf of those associates.

Goodwill relating to associates forms part of the carrying value of those associates.

The total carrying value of each associate is evaluated annually, as a single asset, for impairment or when conditions indicate that a decline in fair value below the carrying amount is other than temporary. If impaired, the carrying value of the group's share of the underlying assets of associates is written down to its estimated recoverable amount in accordance with the accounting policy on impairment and charged to the income statement as part of equity accounted earnings of those associates. A previously recognised impairment will be reversed, insofar as estimates change as a result of an event occurring after the impairment was recognised.

Associates whose financial year ends are within three months of 30 June are included in the consolidated financial statements using their most recently audited financial results. Adjustments are made to the associates' financial results for material transactions and events in the intervening period.

Foreign currency translation

Items included in the financial results of each entity are measured using the functional currency of that entity. The consolidated financial results are presented in rand, which is Sasol Limited's functional and presentation currency.

Foreign currency transactions Income and expenditure transactions are translated into the functional currency of the entity at the rate of exchange ruling at the transaction date. To the extent that transactions occur regularly throughout the year, they are translated at the average rate of exchange for the year since this is deemed to provide a good approximation of the actual exchange rates at which those transactions occurred.

Monetary assets and liabilities are translated into the functional currency of the entity at the rate of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from the translation and settlement of monetary assets and liabilities are recognised in the income statement, except when they relate to cash flow hedging activities in which case these gains and losses are recognised as other comprehensive income and are included in the hedge accounting reserve.

Foreign operations The financial results of all entities that have a functional currency different from the presentation currency of their parent entity are translated into the presentation currency. Income and expenditure transactions of foreign operations are translated at the average rate of exchange for the year except for significant individual transactions which are translated at the exchange rate ruling at that date. All assets and liabilities, including fair value adjustments and goodwill arising on acquisition, are translated at the rate of exchange ruling at the reporting date. Differences arising on translation are recognised as other comprehensive income and are included in the foreign currency translation reserve.

On consolidation, differences arising from the translation of the net investment in a foreign operation are recognised as other comprehensive income and are included in the foreign currency translation reserve.

On disposal of part or all of the operation, the proportionate share of the related cumulative gains and losses previously recognised in the foreign currency translation reserve through the statement of comprehensive income are included in determining the profit or loss on disposal of that operation recognised in the income statement.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment. Land is not depreciated.

The cost of self-constructed assets includes expenditure on materials, direct labour and an allocated proportion of project overheads. Cost also includes the estimated costs of dismantling and removing the assets and site rehabilitation costs to the extent that they relate to the construction of the asset as well as gains or losses on qualifying cash flow hedges attributable to that asset. Costs capitalised for work in progress in respect of activities to develop, expand or enhance items of property, plant and equipment are classified as part of assets under construction.

Finance expenses, net of finance income, are capitalised on qualifying assets.

When plant and equipment comprises major components with different useful lives, these components are accounted for as separate items. Expenditure incurred to replace or modify a significant component of plant is capitalised and any remaining book value of the component replaced is written off in the income statement. All other expenditure is charged to the income statement.

Property, plant and equipment, other than mineral assets, is depreciated to its estimated residual value on a straight-line basis over its expected useful life. Mineral assets are depreciated in accordance with the policy set out below on exploration, evaluation and development. The depreciation methods, estimated remaining useful lives and residual values are reviewed at least annually.
The depreciation rates applied are provided on page 92.

Exploration, evaluation and development

Oil and gas The successful efforts method is used to account for oil and gas exploration and evaluation activities.

Geological and geophysical costs, expenditure relating to dry exploratory wells and the costs of carrying and retaining undeveloped properties are charged to the income statement as incurred.

On completion of an exploratory well, the entity will be able to determine if it has found oil and gas reserves. The classification of these reserves, as proved, depends on whether major capital expenditure to develop the property can be justified as a result of sufficient quantities of additional proved oil and gas reserves being identified.

Oil and gas reserves are classified as proved when, upon analysis of geological and engineering data, it appears with reasonable certainty that these reserves could be recoverable in the future under existing economic and operating conditions.

The cost of exploratory wells through which potential proved oil and gas reserves are discovered are capitalised as exploration assets in assets under construction. These costs remain capitalised pending the determination of whether proved oil and gas reserves have been found. The following conditions must be met for these costs to remain capitalised:

- Sufficient oil and gas reserves exist to justify the capital expenditure required for the completion of the well as a producing well;
- Drilling of additional exploratory wells is under way or firmly planned for the near future; and
- Sufficient progress is being made in assessing the oil and gas reserves and the economic and operating viability of developing the property.

Progress in this regard is reassessed at least annually to ensure sufficient justification for carrying such exploration and evaluation expenditure as an asset. If the above conditions are not met or if information is obtained that raises doubt about the economic or operating viability, the costs are charged to the income statement.

Expenditure incurred to drill and equip development wells on proved properties are capitalised as mineral assets in property, plant and equipment.

Depreciation of exploration assets and mineral assets on producing oil and gas properties is based on the units-of-production method calculated using estimated proved developed oil and gas reserves, on a field-by-field basis. Depreciation of property acquisition costs, capitalised as part of mineral assets in property, plant and equipment, is based on the units-of-production method calculated using estimated proved oil and gas reserves, on a field-by-field basis.

Coal mining Coal mining exploration and evaluation expenditure is charged to the income statement until completion of a final feasibility study supporting proved and probable coal reserves. Expenditure incurred subsequent to proved and probable coal reserves being identified is capitalised as exploration assets in assets under construction.

Expenditure on producing mines or development properties is capitalised when excavation or drilling is incurred to extend reserves or further delineate existing proved and probable coal reserves. All development expenditure incurred after the commencement of production is capitalised to the extent that it gives rise to probable future economic benefits.

Life-of-mine coal assets are depreciated using the units-of-production method. A unit is considered to be produced once it has been removed from underground and taken to the surface, passed the bunker and has been transported by conveyor over the scale of the shaft head. The calculation is based on proved and probable reserves assigned to that specific mine (accessible reserves) or complex which benefits from the utilisation of those assets. Inaccessible reserves are excluded from the calculation. Other coal mining assets are depreciated on the straight-line method over their estimated useful lives.

Business combinations

The acquisition method is used when a business is acquired. A business may comprise an entity, group of entities or an unincorporated operation including its operating assets and associated liabilities.

On acquisition date, fair values are attributed to the identifiable assets, liabilities and contingent liabilities. A non-controlling interest at acquisition date is determined as the non-controlling shareholders' proportionate share of the fair value of the net identifiable assets of the entity acquired.

Fair values of all identifiable assets and liabilities included in the business combination are determined by reference to market values of those or similar items, where available, or by discounting expected future cash flows using the discount rate to present values.

When an acquisition is achieved in stages (step acquisition), the identifiable assets and liabilities are recognised at their full fair value when control is obtained, and any adjustment to fair values related to these assets and liabilities previously held as an equity interest is recognised in the income statement.

When there is a change in the interest in a subsidiary after control is obtained, that does not result in a loss in control, the difference between the fair value of the consideration transferred and the amount by which the non-controlling interest is adjusted is recognised directly in the statement of changes in equity.

The consideration transferred is the fair value of the group's contribution to the business combination in the form of assets transferred, shares issued, liabilities assumed or contingent consideration at the acquisition date. Transaction costs directly attributable to the acquisition are charged to the income statement.

On acquisition date, goodwill is recognised when the consideration transferred and the recognised amount of non-controlling interests exceeds the fair value of the net identifiable assets of the entity acquired. Goodwill is tested at each reporting date for impairment.

To the extent that the fair value of the net identifiable assets of the entity acquired exceeds the consideration transferred and the recognised amount of non-controlling interests, the excess is recognised in the income statement on acquisition date.

The profit or loss realised on disposal or termination of an entity is calculated after taking into account the carrying value of any related goodwill.

Other intangible assets

Intangible assets, other than goodwill (refer policy above on business combinations), are stated at cost less accumulated amortisation and impairment.

These intangible assets are recognised if it is probable that future economic benefits will flow to the entity from the intangible assets and the costs of the intangible assets can be reliably measured.

Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The amortisation methods and estimated remaining useful lives are reviewed at least annually. Amortisation rates applied are provided on page 100.

Intangible assets with indefinite useful lives are not amortised but are tested at each reporting date for impairment. The assessment that the estimated useful lives of these assets are indefinite is reviewed at least annually.

Research and development Research expenditure is charged to the income statement when incurred.

Development expenditure relating to the production of new or substantially improved products or processes is capitalised if the costs can be measured reliably, the products or processes are technically feasible, future economic benefits are probable, and the group intends to and has sufficient resources to complete development and to use or sell the asset. All remaining development expenditure is charged to the income statement.

Cost includes expenditure on materials, direct labour and an allocated proportion of project overheads.

Software Purchased software and the direct costs associated with the customisation and installation thereof are capitalised.

Expenditure on internally-developed software is capitalised if it meets the criteria for capitalising development expenditure.

Other software development expenditure is charged to the income statement when incurred.

Patents and trademarks Expenditure on purchased patents and trademarks is capitalised. Expenditure incurred to extend the term of the patents or trademarks is capitalised. All other expenditure is charged to the income statement when incurred.

Emission rights Emission rights (allowances) received from a government or a government agency and expenditure incurred on purchasing allowances are capitalised as indefinite life intangible assets at the quoted market price on acquisition date and are subject to an annual impairment test.

Non-current asset or disposal group held for sale

A non-current asset or disposal group (a business grouping of assets and their related liabilities) is designated as held for sale when its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The classification as held for sale of a non-current asset or disposal group occurs when it is available for immediate sale in its present condition and the sale is highly probable. A sale is considered highly probable if management is committed to a plan to sell the non-current asset or disposal group, an active divestiture programme has been initiated, the non-current asset or disposal group is marketed at a price reasonable to its fair value and the disposal will be completed within one year from classification.

Where a disposal group held for sale will result in the loss of control or joint control of a subsidiary or joint venture, all the assets and liabilities of that subsidiary or joint venture are classified as held for sale, regardless of whether a non-controlling interest in the former subsidiary or joint venture is to be retained after the sale. Proportionate consolidation ceases from the date a joint venture is classified as held for sale.

Upon classification of a non-current asset or disposal group as held for sale it is reviewed for impairment. The impairment charged to the income statement is the excess of the carrying value of the non-current asset or disposal group over its expected fair value less costs to sell.

No depreciation or amortisation is provided on non-current assets from the date they are classified as held for sale.

If a non-current asset or disposal group is classified as held for sale, but the criteria for classification as held for sale are no longer met, the disclosure of such non-current asset or disposal group as held for sale is ceased.

On ceasing such classification, the non-current assets are reflected at the lower of:

- the carrying amount before classification as held for sale adjusted for any depreciation or amortisation that would have been recognised had the assets not been classified as held for sale; or
- the recoverable amount at the date the classification as held for sale ceases. The recoverable amount is the amount at which the asset would have been recognised after the allocation of any impairment loss arising on the cash generating unit as determined in accordance with the group's policy on impairment of non-financial assets.

Any adjustments required to be made on reclassification are recognised in the income statement on reclassification, and included in income from continuing operations.

Where the disposal group was also classified as a discontinued operation, the subsequent classification as held for use also requires that the discontinued operation be included in continuing operations. Comparative information relating to the classification as a discontinued operation is restated accordingly.

Impairment of non-financial assets

The group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying value may not be recoverable, to determine whether there is any indication of impairment. An impairment test is performed on all goodwill, intangible assets not yet in use and intangible assets with indefinite useful lives at each reporting date.

The impairment charged to the income statement is the excess of the carrying value over the recoverable amount.

Recoverable amounts are estimated for individual assets or, where an individual asset cannot generate cash inflows independently, the recoverable amount is determined for the larger cash-generating unit to which the asset belongs.

With the exception of goodwill, a previously recognised impairment will be reversed insofar as estimates change as a result of an event occurring after the impairment was recognised. An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the income statement.

Exploration assets are tested for impairment when development of the property commences or whenever facts and circumstances indicate impairment. An impairment is recognised for the amount by which the exploration assets' carrying amount exceeds their recoverable amount. For the purpose for assessing impairment, the relevant exploration assets are included in the existing cash-generating units of producing properties that are located in the same geographic region.

Financial assets

The group classifies its financial assets into the following categories:

- held-to-maturity financial assets;
- loans and receivables;
- available-for-sale financial assets; and
- derivative instruments (set out below).

The classification is dependent on the purpose for which the financial asset is acquired. Management determines the classification of its financial assets at the time of the initial recognition and re-evaluates such designation at least at each reporting date.

Financial assets are recognised on transaction date when the group becomes a party to the contracts and thus obtains rights to receive economic benefits and are derecognised when these rights no longer exist.

Financial assets are stated initially on transaction date at fair value including transaction costs. Held-to-maturity financial assets and loans and receivables are subsequently stated at amortised cost using the effective interest rate method. Available-for-sale financial assets are subsequently stated at fair value at the reporting date.

Unrealised gains and losses arising from revaluation of available-for-sale financial assets are recognised as other comprehensive income and included in the investment fair value reserve. On disposal or impairment of available-for-sale financial assets, cumulative unrealised gains and losses previously recognised in other comprehensive income are included respectively in determining the profit or loss on disposal of, or impairment charge relating to, that financial asset, which is recognised in the income statement.

The fair values of financial assets are based on quoted bid prices or amounts derived using a discounted cash flow model. Fair values for unlisted equity securities are estimated using methods reflecting the specific economic circumstances of the investee which would affect the market value of those securities. Equity investments for which fair values cannot be measured reliably are recognised at cost less impairment.

Premiums or discounts arising from the difference between the fair value of a financial asset and the amount receivable at maturity date are charged to the income statement based on the effective interest rate method.

An assessment is performed at each reporting date to determine whether objective evidence exists that a financial asset is impaired.

In the case of available-for-sale financial assets, a significant or prolonged decline in the fair value of the asset below its cost is considered an indicator of impairment. If any such evidence exists, the cumulative loss is removed as other comprehensive income from the investment fair value reserve and recognised in the income statement. Impairments charged to the income statement on available-for-sale financial assets are not reversed.

Derivative financial instruments and hedging activities

All derivative financial instruments are initially recognised at fair value and are subsequently stated at fair value at the reporting date. Attributable transaction costs are recognised in the income statement when incurred. Resulting gains or losses on derivative instruments, excluding designated and effective hedging instruments, are recognised in the income statement.

The group is exposed to market risks from changes in interest rates, foreign exchange rates and commodity prices. The group uses derivative instruments to hedge its exposure to these risks. To the extent that a derivative instrument has a maturity period of longer than one year, the fair value of these instruments will be reflected as a non-current asset or liability.

The group's criteria for a derivative instrument to be designated as a hedging instrument require that:

- the hedge transaction is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk;
- the effectiveness of the hedge can be reliably measured throughout the duration of the hedge;
- there is adequate documentation of the hedging relationship at the inception of the hedge; and
- for cash flow hedges, the forecasted transaction that is the subject of the hedge must be highly probable.

Where a derivative instrument is designated as a cash flow hedge of an asset, liability or highly probable forecasted transaction, the effective part of any gain or loss arising on the derivative instrument is recognised as other comprehensive income and is classified as a cash flow hedge accounting reserve until the underlying transaction occurs. The ineffective part of any gain or loss is recognised in the income statement.

If the forecasted transaction results in the recognition of a non-financial asset or non-financial liability, the associated gain or loss is transferred from the cash flow hedge accounting reserve, as other comprehensive income, to the underlying asset or liability on the transaction date. Other cash flow hedge gains or losses are recognised in the income statement at the same time as the hedged transaction occurs.

When forward exchange contracts are entered into as fair value hedges, no hedge accounting is applied. All gains and losses on such contracts are recognised in the income statement.

Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost includes expenditure incurred in acquiring, manufacturing and transporting the inventory to its present location. Manufacturing costs include an allocated portion of production overheads which are directly attributable to the cost of manufacturing such inventory.

The allocation is determined based on the greater of normal production capacity and actual production. The costs attributable to any inefficiencies in the production process are charged to the income statement as incurred.

Cost is determined as follows

Crude oil and other raw materials	First-in-first-out valuation method (FIFO)
Process, maintenance and other materials	Weighted average purchase price
Work-in-progress	Manufacturing costs incurred
Manufactured products including consignment inventory	Manufacturing costs according to FIFO

Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

Trade and other receivables

Trade and other receivables are recognised at fair value and subsequently stated at amortised cost. An impairment is recognised when there is evidence that an entity will not be able to collect all amounts due according to the original terms of the receivable. The amount of the impairment is charged to the income statement.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying value which is deemed to be fair value. Bank overdrafts are offset against cash and cash equivalents in the statement of cash flows.

Cash restricted for use

Cash which is subject to restrictions on its use is stated separately at carrying value in the statement of financial position.

Share capital

Issued share capital is stated in the statement of changes in equity at the amount of the proceeds received less directly attributable issue costs.

Share repurchase programme

When Sasol Limited's shares are repurchased by a subsidiary, the amount paid, including directly attributable costs, is disclosed as a deduction from shareholders' equity. Where such shares are subsequently reissued, any consideration received is included in the statement of changes in equity.

Preference shares

Preference shares are classified as liabilities if they are redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are charged to the income statement as a finance expense based on the effective interest rate method.

Debt

Debt, which constitutes a financial liability, includes short-term and long-term debt. Debt is initially recognised at fair value, net of transaction costs incurred and is subsequently stated at amortised cost. Debt is classified as short-term unless the borrowing entity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Debt is derecognised when the obligation in the contract is discharged, cancelled or has expired.

Premiums or discounts arising from the difference between the fair value of debt raised and the amount repayable at maturity date are charged to the income statement as finance expenses based on the effective interest rate method.

Leases

Finance leases Leases where the group assumes substantially all the benefits and risks of ownership, are classified as finance leases. Finance leases are capitalised as property, plant and equipment at the lower of fair value or the present value of the minimum lease payments at the inception of the lease with an equivalent amount being stated as a finance lease liability as part of debt.

The capitalised amount is depreciated over the asset's useful life. Lease payments are allocated between capital repayments and finance expenses using the effective interest rate method.

The land and buildings elements of a lease are considered separately for the purpose of lease classification.

Operating leases Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are charged to the income statement over the lease term on a straight-line basis unless another basis is more representative of the pattern of use.

Provisions

A provision is recognised when the group has a legal or constructive obligation arising from a past event that will probably be settled, and a reliable estimate of the amount can be made.

Long-term provisions are determined by discounting the expected future cash flows to their present value. The increase in discounted long-term provisions as a result of the passage of time is recognised as a finance expense in the income statement.

Environmental rehabilitation provisions Estimated long-term environmental provisions, comprising pollution control, rehabilitation and mine closure, are based on the group's environmental policy taking into account current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises. To the extent that the obligations relate to the construction of an asset, they are capitalised as part of the cost of those assets. The effect of subsequent changes to assumptions in estimating an obligation for which the provision was recognised as part of the cost of the asset is adjusted against the asset. Any subsequent changes to an obligation which did not relate to the initial construction of a related asset are charged to the income statement.

Decommissioning costs of plant and equipment The estimated present value of future decommissioning costs, taking into account current environmental and regulatory requirements, is capitalised as part of property, plant and equipment, to the extent that they relate to the construction of the asset, and the related provisions are raised. These estimates are reviewed at least annually. The effect of subsequent changes to assumptions in estimating an obligation for which the provision was recognised as part of the cost of the asset is adjusted against the asset. Any subsequent changes to an obligation which did not relate to the initial construction of a related asset are charged to the income statement.

Ongoing rehabilitation expenditure Ongoing rehabilitation expenditure is charged to the income statement.

Employee benefits

Short-term employee benefits Short-term employee benefits are those that are due to be settled within twelve months after the end of the period in which the services have been rendered. Remuneration of employees is charged to the income statement. An accrual is made for accumulated leave, incentive bonuses and other short-term employee benefits.

Pension benefits The group operates or contributes to defined contribution pension plans and defined benefit pension plans for its employees in certain of the countries in which it operates. These plans are generally funded through payments to trustee-administered funds as determined by annual actuarial calculations.

Defined contribution pension plans Contributions to defined contribution pension plans are charged to the income statement as incurred.

Defined benefit pension plans The group's net obligation in respect of defined benefit pension plans is actuarially calculated separately for each plan by deducting the fair value of plan assets from the gross obligation for post-retirement benefits. The gross obligation is determined by estimating the future benefit attributable to employees in return for services rendered to date.

This future benefit is discounted using the discount rate to determine its present value. Independent actuaries perform this calculation annually using the projected unit credit method.

Improvements to a defined benefit pension plan relating to past service are charged to the income statement as an expense on a straight-line basis over the period during which the benefits vest.

To the extent that, at the beginning of the financial year, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the defined benefit obligation and the fair value of the plan assets (the corridor), that portion is charged to the income statement over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Where the plan assets exceed the gross obligation, the asset recognised is limited to the total of unrecognised net actuarial losses, unrecognised past service costs related to improvements to the defined benefit pension plan and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Surpluses and deficits in the various plans are not offset.

Defined benefit post-retirement healthcare benefits The group provides post-retirement healthcare benefits to certain of its retirees. The entitlement of these benefits is usually based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued on a systematic basis over the expected remaining period of employment, using the accounting methodology described in respect of defined benefit pension plans above. Independent actuaries perform the calculation of this obligation annually.

Share-based payments The group has equity-settled and cash-settled share-based compensation plans. The equity-settled schemes allow certain employees the option to acquire ordinary shares in Sasol Limited over a prescribed period. Such equity-settled share-based payments are measured at fair value at the date of the grant. The fair value determined at the grant date of the equity-settled share-based payments is charged as employee costs, with a corresponding increase in equity, on a straight-line basis over the period that the employees become unconditionally entitled to the options, based on management's estimate of the shares that will vest and adjusted for the effect of non market-based vesting conditions. These share options are not subsequently revalued.

The cash-settled scheme allows certain senior employees the right to participate in the performance of the Sasol Limited share price, in return for services rendered, through the payment of cash incentives which are based on the market price of the Sasol Limited share. These rights are recognised as a liability at fair value in the statement of financial position until the date of settlement. The fair value of these rights is determined at each reporting date and the unrecognised cost amortised to the income statement as employee costs over the period that the employees provide services to the company.

Fair value is measured using the Black Scholes, Binomial tree and Monte-Carlo option pricing models where applicable. The expected life used in the models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations such as volatility, dividend yield and the vesting period. The fair value takes into account the terms and conditions on which these incentives are granted and the extent to which the employees have rendered service to the reporting date.

Deferred income

Incentives received are recognised on a systematic basis in the income statement over the periods necessary to match them with the related costs which they are intended to compensate. Incentives related to non-current assets are stated on the statement of financial position as deferred income and are charged to the income statement on a basis representative of the pattern of use of the asset to which the incentive relates.

Revenue received prior to delivery occurring or the service being rendered is stated on the statement of financial position as deferred income and is recognised in the income statement when the revenue recognition criteria, detailed below, are met.

Black economic empowerment (BEE) transactions

To the extent that an entity grants shares or share options in a BEE transaction and the fair value of the cash and other assets received is less than the fair value of the shares or share options granted, such difference is charged to the income statement in the period in which the transaction becomes effective. Where the BEE transaction includes service conditions the difference will be charged to the income statement over the period of these service conditions. A restriction on the transfer of the shares or share options is taken into account in determining the fair value of the share or share option.

Taxation

The income tax charge is determined based on net income before tax for the year and includes deferred tax and Secondary Taxation on Companies.

Current tax The current tax charge is the calculated tax payable on the taxable income for the year using enacted or substantively enacted tax rates and any adjustments to tax payable in respect of prior years.

Deferred tax Deferred tax is provided for using the liability method, on all temporary differences between the carrying values of assets and liabilities for accounting purposes and the amounts used for tax purposes and on any tax losses. No deferred tax is provided on temporary differences relating to:

- the initial recognition of goodwill;
- the initial recognition (other than in a business combination) of an asset or liability to the extent that neither accounting nor taxable profit is affected on acquisition; and
- investments in subsidiaries to the extent they will probably not reverse in the foreseeable future.

The provision for deferred tax is calculated using enacted or substantively enacted tax rates at the reporting date that are expected to apply when the asset is realised or liability settled. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deferred tax asset can be realised.

The provision of deferred tax assets and liabilities reflects the tax consequences that would follow from the expected recovery or settlement of the carrying amount of its assets and liabilities.

Secondary Taxation on Companies (STC) STC is recognised as part of the current tax charge in the income statement when the related dividend is declared. When dividends received in the current year can be offset against future dividend payments to reduce the STC liability, a deferred tax asset is recognised to the extent of the future reduction in STC.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost.

Revenue

Revenue is recognised net of indirect taxes, rebates and trade discounts and consists primarily of the sale of products, services rendered, license fees, royalties, dividends received and interest received.

Revenue is recognised when the following criteria are met:

- evidence of an arrangement exists;
- delivery has occurred or services have been rendered and the significant risks and rewards of ownership have been transferred to the purchaser;
- transaction costs can be reliably measured;
- the selling price is fixed or determinable; and
- collectability is reasonably assured.

The timing of revenue recognition is as follows. Revenue from:

- the sale of products is recognised when the group no longer retains continuing managerial involvement associated with ownership or effective control;
- services rendered is based on the stage of completion of the transaction, based on the proportion that costs incurred to date bear to the total cost of the project;
- licence fees and royalties is recognised on an accrual basis;
- dividends received is recognised when the right to receive payment is established; and
- interest received is recognised on a time proportion basis using the effective interest rate method.

The group enters into exchange agreements with the same counterparties for the purchase and sale of inventory that are entered into in contemplation of one another. When the items exchanged are similar in nature, these transactions are combined and accounted for as a single exchange transaction. The exchange is recognised at the carrying amount of the inventory transferred.

Further descriptions of the recognition of revenue for the various reporting segments are included under the accounting policy on segmental reporting.

Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with that construction contract are recognised as revenue and expenses, respectively, by reference to the stage of completion of the contract activity at the reporting date. The stage of completion is generally based on physical progress, man-hours or costs incurred, based on the appropriate method for the type of contract.

To the extent that the outcome of a construction contract cannot be reliably measured, revenue is recognised only to the extent that contract costs incurred are likely to be recovered.

Any expected loss on a construction contract is charged immediately to the income statement.

Contract costs relating to future activity on a contract are recognised as an asset provided it is likely that they will be recovered.

Finance expenses

Finance expenses are capitalised against qualifying assets as part of property, plant and equipment.

Such finance expenses are capitalised over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalisation ceases when construction is interrupted for an extended period or when the asset is substantially complete. Further finance expenses are charged to the income statement.

Where funds are borrowed specifically for the purpose of acquiring or constructing a qualifying asset, the amount of finance expenses eligible for capitalisation on that asset is the actual finance expenses incurred on the borrowing during the period less any investment income on the temporary investment of those borrowings.

Where funds are made available from general borrowings and used for the purpose of acquiring or constructing qualifying assets, the amount of finance expenses eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on these assets. The capitalisation rate is the weighted average of the interest rates applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining qualifying assets. The amount of finance expenses capitalised will not exceed the net amount of borrowing costs incurred and interest received on excess borrowings invested.

Dividends payable

Dividends payable and the related taxation thereon are recognised as a liability in the period in which they are declared.

Segment information

Reporting segments

The group has nine main reportable segments that comprise the structure used by the Group Executive Committee (GEC) to make key operating decisions and assess performance. The group's reportable segments are operating segments that are differentiated by the activities that each undertakes and the products they manufacture and market (referred to as business segments). Each business utilises different technology, manufacturing and marketing strategies.

The group evaluates the performance of its reportable segments based on operating profit. The group accounts for inter-segment sales and transfers as if the sales and transfers were entered into under the same terms and conditions as would have been entered into in a market related transaction.

The financial information of the group's reportable segments is reported to the GEC for purposes of making decisions about allocating resources to the segment and assessing its performance.

The group has formed significant joint ventures to promote Sasol technology and products internationally. The group is promoting and marketing its gas-to-liquids (GTL) technology for converting remote or flared natural gas into new-generation, low-emission GTL diesel, GTL naphtha and other products. It is envisaged that Sasol Synfuels International (SSI) through the recent development of the GTL plants in Qatar and Nigeria will contribute to the growing of a global GTL business in the future.

Whilst Sasol Petroleum International (SPI), like SSI, does not meet the quantitative criteria for disclosure as a separate segment, it is expected to become a significant contributor to the group's performance in future years as the upstream supplier of resources for the group's GTL and CTL activities.

Consequently the GEC has chosen to include SSI and SPI as reportable operating segments even though SSI and SPI do not meet any of the quantitative thresholds as the GEC believes that such information would be useful to the users of the financial statements.

South African energy cluster

Sasol Mining

Sasol Mining's activities include the mining and supply of coal to other segments including Sasol Synfuels, other entities and to third parties.

Sasol Mining sells coal under both long-term and short-term contracts at a price determinable from the agreements. Turnover is recognised upon delivery of the coal to the customer, which, in accordance with the related contract terms is the point at which the title and risks and rewards of ownership pass to the customer, prices are fixed or determinable and collectability is reasonably assured.

The date of delivery related to Sasol Mining is determined in accordance with the contractual agreements entered into with customers which are briefly summarised as follows:

Delivery terms	Title and risks and rewards of ownership pass to the customer
Free on Board (FOB)	When the coal is loaded onto the vessel at Richards Bay Coal Terminal – customer is responsible forshipping and handling costs.
Free on Barge (Amsterdam)	When the coal is loaded from Overslag Bedrijf Amsterdam stockpile onto the customer vessel – seller is responsible forshipping and handling costs, these are however recovered from the customer.
Cost Insurance Freight (CIF) and Cost Freight Railage (CFR)	When the coal is loaded into the vessel – seller is responsible for shipping and handling costs which are included in the selling price.

The related costs of sales are recognised in the same period as the supply of the coal and include any shipping and handling costs incurred. All inter-segment sales are conducted at market related prices.

Sasol Gas
Sasol Gas' activities include the marketing of clean-burning pipeline gas sourced from Sasol Synfuels and natural gas from the Mozambican gas fields.

Sasol Gas sells gas under long-term contracts at a price determinable from the supply agreements. Turnover is recognised at the intake flange of the customer where it is metered, which is the point at which the title and risks and rewards of ownership passes to the customer, and where prices are determinable and collectability is reasonably assured. Gas analysis and tests of the specifications and content are performed prior to delivery.

Transportation and handling costs are included in turnover when billed to customers in conjunction with the sale of a product. The related costs of sales are recognised in the same period as the turnover.

Sasol Synfuels
Sasol Synfuels' activities include the production, using natural gas, from Sasol Gas, and synthesis gas derived from coal, supplied by Sasol Mining, using in-house technology to convert this into a wide range of liquid fuels intermediates and petrochemicals. Sasol Synfuels also provides chemical feedstock to, amongst others Sasol Polymers and Sasol Solvents.

Sasol Synfuels sells synthetic fuels, chemical feedstock and industrial pipeline gas under contracts at prices determinable from the agreements. Turnover is recognised for the liquid fuel intermediates and petrochemicals when the title and risks and rewards of ownership pass to the customer, which is when the product has passed over the appropriate weigh bridge or flow meter, prices are fixed or determinable and collectability is reasonably assured.

Sasol Oil
Sasol Oil is responsible for the group's crude oil refining activities and for blending and marketing of all liquid fuels and lubricants.

Sasol Oil sells liquid fuel products under both short-term and long-term agreements for both retail sales and commercial sales including sales to other oil companies. The prices are regulated and fixed by South African law for retail sales, and the prices are fixed and determinable according to the specific contract with periodic price adjustments for commercial sales and sales to other oil companies. Laboratory tests of the fuel specifications and content are performed prior to delivery. Turnover is recognised under the following arrangements:

- Commercial sales transactions and sales to other oil companies: when product is delivered to the customer site, which is the point where the risks and rewards of ownership and title of the product transfer to the customer, and collectability is reasonably assured.
- Dealer-owned supply agreements and franchise agreements: upon delivery of the product to the customer, which is the point where the risks and rewards of ownership of the product transfer to the customer. Title under these contracts is retained to enable recovery of the goods in the event of customer default on payment. The title to the goods does not enable the group to dispose of the product or rescind the transaction, and cannot prevent the customer from selling the product.

Turnover for the supply of fuel is based on measurement through a flow-meter into customers' tanks. Shipping and handling costs are included in turnover when billed to customers in conjunction with the sale of a product. The related costs of sales are recognised in the same period as the turnover.

Other
This segment currently includes costs related to the pre-feasibility study for the expansion of our synthetic fuels capacity in South Africa known as Project Mafutha.

International energy cluster
Sasol Synfuels International (SSI)
SSI is responsible for developing, implementing and managing international business ventures based on Sasol's Fischer-Tropsch synthesis technology. SSI is also involved in the development of GTL fuels and production of other chemical products from GTL derived feedstock.

SSI is currently involved in the establishment of two GTL production facilities in Qatar and Nigeria and is conducting feasibility studies for both GTL and coal-to-liquids (CTL) facilities at various other locations around the world.

Turnover is derived from the sale of goods produced by the operating facilities and is recognised when, in accordance with the related contract terms, the title and risks and rewards of ownership pass to the customer, prices are fixed or determinable and collectability is reasonably assured. Shipping and handling costs are included in turnover when billed to customers in conjunction with the sale of the products. Turnover is also derived from the rendering of engineering services to external partners in joint ventures upon the proof of completion of the service.

Sasol Petroleum International (SPI)
SPI develops and manages upstream interests in oil and gas exploration and production in Mozambique, South Africa, Gabon, Papua New Guinea, Australia and Nigeria. It produces gas from Mozambique's Temane field and oil in Gabon through its share in the offshore Etame field.

SPI sells natural gas under a long-term contract to Sasol Gas and oil to customers under long-term contracts at a price determinable from the agreements. Turnover is recognised at the intake flange of the customer where it is metered, which is the point at which the title and risks and rewards of ownership passes to the customer, and where prices are determinable and collectability is reasonably assured.

Chemical cluster
Sasol Polymers
Sasol Polymers focuses on the production of monomers, polypropylene, polyethylene, vinyls and other chemical products through its respective businesses.

Sasol Solvents
Sasol Solvents primarily manufactures and markets globally a range of oxygenated solvents, co-monomers and chemical intermediates to various industries.

Sasol Olefins & Surfactants
Sasol Olefins & Surfactants manufactures and markets globally a diverse range of surfactants, surfactant intermediates, alcohols, monomers and inorganic speciality chemicals.

Other chemical businesses
Other chemical businesses include Sasol Wax (production and marketing of wax and wax related products), Sasol Nitro (production and marketing of ammonia and ammonia derivative products), Merisol (manufacturing and marketing of phenolics and cresylics) and Sasol Infrachem (manufacturing of synthesis gas).

The businesses in the Chemical cluster sell much of their products under contracts at prices determinable from such agreements. Turnover is recognised upon delivery to the customer which in accordance with the related contract terms, is the point at which the title and risks and rewards of ownership transfer to the customer, prices are determinable and collectability is reasonably assured. Turnover on consignment sales is recognised on consumption by the customer, when title and the risks and rewards of ownership pass to the customer, prices are determinable and collectability is reasonably assured. Product quality is safeguarded through quality assurance programmes.

The date of delivery related to the above Chemical cluster is determined in accordance with the contractual agreements entered into with customers which are briefly summarised as follows:

Delivery terms	Title and risks and rewards of ownership pass to the customer
Ex-Tank sales	When products areloaded into the customer's vehicle or unloaded from the seller's storage tanks.
Ex works (EXW)	When products are loaded into the customers vehicle or unloaded at the sellers premises.
Carriage Paid To (CPT)	On delivery of products to a specified location (main carriage is paid for bythe seller).
Free on Board (FOB)	When products are loaded into the transport vehicle – customer is responsible forshipping and handling costs.
Cost Insurance Freight (CIF) and Cost Freight Railage (CFR)	When products are loaded into the transport vehicle – seller is responsible forshipping and handling costs which areincluded in the selling price.
Proof of Delivery (POD)	When products are delivered to and signed for by the customer.
Consignment Sales	As and when products areconsumed by the customer.

Other Businesses
Other businesses include the group's treasury, research and development activities and central administration activities as well as alternative energy activities.

Convenience translation from rand to US dollars
The presentation currency of the group is rand.

Supplementary US dollar information is provided for convenience only.

The conversion to US dollars is performed as follows:

- assets and liabilities are translated at the closing rate of exchange on the reporting date;
- income and expenses are translated at average rates of exchange for the years presented;
- shareholders' equity, other than attributable earnings for the year, is translated at the closing rate on each reporting date; and
- the resulting translation differences are included as other comprehensive income in shareholders' equity.

Critical accounting estimates and judgements
Management of the group makes estimates and assumptions concerning the future in applying its accounting policies. The resulting accounting estimates may, by definition, not equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are detailed in the notes to the financial statements where applicable.

Management continually evaluate estimates and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions are recognised in the period in which the estimates are reviewed and in any future periods affected.

Comparative figures
Comparative figures are reclassified or restated as necessary to afford a proper and more meaningful comparison of results as set out in the affected notes to the financial statements.

During the year under review the group reclassified amounts previously included in other payables as short-term deferred income, having risks and rewards more closely aligned to revenue received in advance.

During the year under review, the group reclassified amounts relating to employee related payables previously included in other short-term provisions as part of other payables, having risks and rewards more closely aligned to accruals.

Certain additional disclosure has been provided in respect of the current year. To the extent practicable, comparative information has also been provided.

statement of financial position

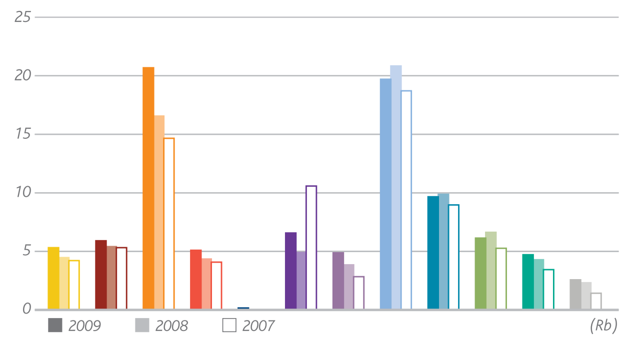
at 30 June

	Note	2009 Rm	2008 Rm	2007 Rm
Assets				
Property, plant and equipment	3	**70 370**	66 273	50 611
Assets under construction	4	**14 496**	11 693	24 611
Goodwill	5	**805**	874	586
Other intangible assets	6	**1 068**	964	629
Investments in securities	7	**574**	557	472
Investments in associates	8	**2 170**	830	692
Post-retirement benefit assets	9	**716**	571	363
Long-term receivables and prepaid expenses	10	**1 456**	1 385	1 585
Long-term financial assets	11	**15**	689	296
Deferred tax assets	23	**1 184**	1 453	845
Non-current assets		**92 854**	85 289	80 690
Investments in securities	7	**77**	78	70
Assets held for sale	12	**86**	3 833	334
Inventories	13	**14 589**	20 088	14 399
Trade receivables	14	**15 176**	22 838	14 733
Other receivables and prepaid expenses	15	**1 864**	2 407	2 184
Short-term financial assets	16	**520**	330	22
Cash restricted for use	17	**1 247**	814	646
Cash	17	**19 425**	4 435	5 987
Current assets		**52 984**	54 823	38 375
Total assets		**145 838**	140 112	119 065
Equity and liabilities				
Shareholders' equity		**83 835**	76 474	61 617
Non-controlling interest		**2 382**	2 521	1 652
Total equity		**86 217**	78 995	63 269
Long-term debt	18	**13 615**	15 682	13 359
Long-term financial liabilities	19	**143**	37	53
Long-term provisions	20	**5 729**	4 491	3 668
Post-retirement benefit obligations	21	**4 454**	4 578	3 781
Long-term deferred income	22	**297**	376	2 765
Deferred tax liabilities	23	**9 168**	8 446	8 304
Non-current liabilities		**33 406**	33 610	31 930
Liabilities in disposal groups held for sale	12	**65**	142	35
Short-term debt	24	**4 762**	3 496	5 621
Short-term financial liabilities	25	**354**	67	383
Short-term provisions	26	**3 592**	1 951	1 501
Short-term deferred income	27	**464**	376	163
Tax payable	28	**675**	1 522	1 465
Trade payables and accrued expenses	29	**11 464**	14 694	9 376
Other payables	30	**4 759**	4 345	4 777
Bank overdraft	17	**80**	914	545
Current liabilities		**26 215**	27 507	23 866
Total equity and liabilities		**145 838**	140 112	119 065

business segment information

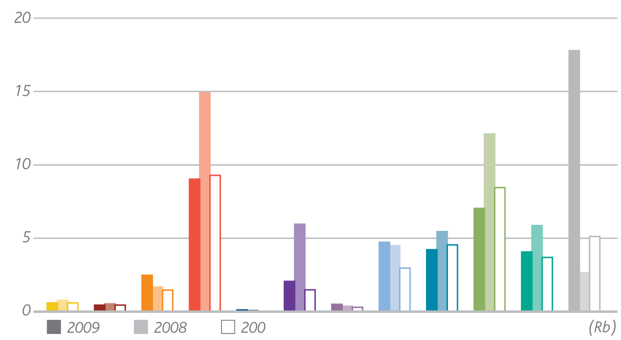
Non-current assets*

	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**37 209**	30 909	28 395
Mining	**5 347**	4 498	4 241
Gas	**5 937**	5 437	5 348
Synfuels	**20 725**	16 597	14 697
Oil	**5 125**	4 377	4 109
Other	**75**	–	–
International energy cluster	**11 510**	8 811	13 481
Synfuels International	**6 601**	4 933	10 615
Petroleum International	**4 909**	3 878	2 866
Chemical cluster	**40 353**	41 766	36 517
Polymers	**19 745**	20 880	18 754
Solvents	**9 698**	9 911	8 999
Olefins & Surfactants	**6 167**	6 660	5 295
Other	**4 743**	4 315	3 469
Other businesses	**2 598**	2 350	1 452
Total	**91 670**	83 836	79 845



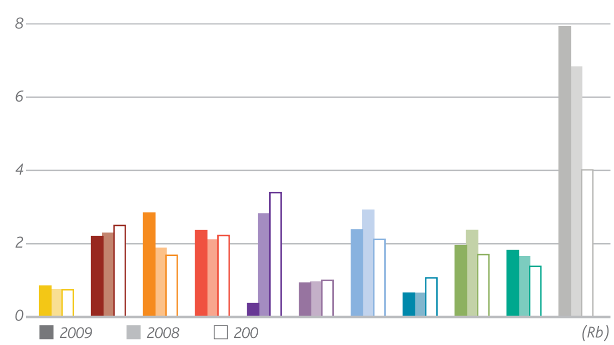
Current assets

	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**12 569**	17 895	11 799
Mining	**600**	776	596
Gas	**446**	533	450
Synfuels	**2 483**	1 675	1 467
Oil	**9 031**	14 906	9 286
Other	**9**	5	–
International energy cluster	**2 569**	6 331	1 785
Synfuels International	**2 066**	5 959	1 488
Petroleum International	**503**	372	297
Chemical cluster	**20 059**	27 935	19 668
Polymers	**4 729**	4 496	2 968
Solvents	**4 223**	5 458	4 550
Olefins & Surfactants	**7 038**	12 111	8 454
Other	**4 069**	5 870	3 696
Other businesses	**17 787**	2 662	5 123
Total	**52 984**	54 823	38 375



Non-current liabilities*

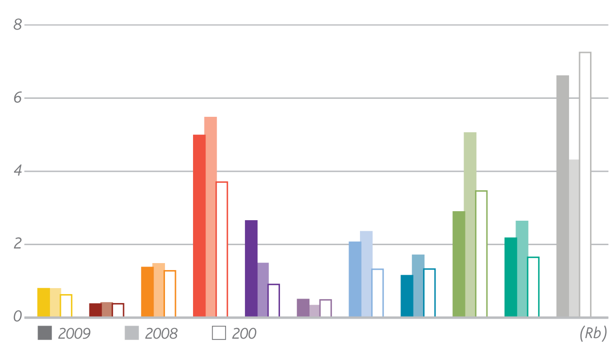
	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**8 233**	7 007	7 149
Mining	**844**	746	743
Gas	**2 194**	2 285	2 498
Synfuels	**2 837**	1 874	1 684
Oil	**2 358**	2 102	2 224
International energy cluster	**1 292**	3 768	6 191
Synfuels International	**366**	2 813	5 191
Petroleum International	**926**	955	1 000
Chemical cluster	**6 790**	7 567	6 271
Polymers	**2 378**	2 914	2 119
Solvents	**651**	646	1 067
Olefins & Surfactants	**1 948**	2 361	1 703
Other	**1 813**	1 646	1 382
Other businesses	**7 923**	6 822	4 015
Total	**24 238**	25 164	23 626



Current liabilities*

	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**7 520**	8 135	5 991
Mining	**792**	788	624
Gas	**373**	404	380
Synfuels	**1 372**	1 472	1 281
Oil	**4 983**	5 471	3 706
International energy cluster	**3 141**	1 812	1 394
Synfuels International	**2 645**	1 482	908
Petroleum International	**496**	330	486
Chemical cluster	**8 274**	11 735	7 766
Polymers	**2 062**	2 349	1 324
Solvents	**1 148**	1 706	1 329
Olefins & Surfactants	**2 891**	5 049	3 463
Other	**2 173**	2 631	1 650
Other businesses	**6 605**	4 303	7 250
Total	**25 540**	25 985	22 401

* Excludes tax and deferred tax.



income statement

for the year ended 30 June

	Note	2009 Rm	2008 Rm	2007 Rm
Turnover	31	**137 836**	129 943	98 127
Cost of sales and services rendered	32	**(88 508)**	(74 634)	(59 997)
Gross profit		**49 328**	55 309	38 130
Other operating income	33	**1 021**	635	639
Marketing and distribution expenditure		**(7 583)**	(6 931)	(5 818)
Administrative expenditure		**(9 050)**	(6 697)	(6 094)
Other operating expenditure		**(9 050)**	(8 500)	(1 236)
Other expenses		**(8 884)**	(8 800)	(1 004)
Translation (losses)/gains	34	**(166)**	300	(232)
Operating profit	35	**24 666**	33 816	25 621
Finance income	38	**1 790**	735	825
Share of profit of associates (net of tax)	39	**270**	254	405
Finance expenses	40	**(2 531)**	(1 148)	(1 148)
Profit before tax		**24 195**	33 657	25 703
Taxation	41	**(10 480)**	(10 129)	(8 153)
Profit		**13 715**	23 528	17 550
Attributable to				
Owners of Sasol Limited		**13 648**	22 417	17 030
Non-controlling interests in subsidiaries		**67**	1 111	520
		13 715	23 528	17 550

	Note	Rand	Rand	Rand
Per share information				
Basic earnings per share	43	**22,90**	37,30	27,35
Diluted earnings per share	43	**22,80**	36,78	27,02

statement of comprehensive income

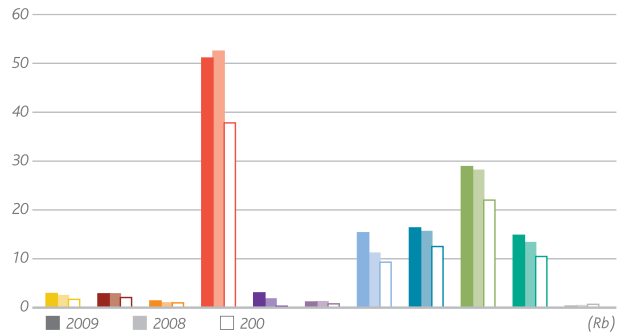
for the year ended 30 June

	Note	2009 Rm	2008 Rm	2007 Rm
Profit for year		**13 715**	23 528	17 550
Other comprehensive income, net of tax	44	**(2 881)**	3 652	(258)
Effect of translation of foreign operations	44	**(2 485)**	3 452	(258)
Effect of cash flow hedges	44	**(497)**	261	–
Investments available-for-sale	44	**–**	(1)	–
Tax on other comprehensive income	44	**101**	(60)	–
Total comprehensive income		**10 834**	27 180	17 292
Attributable to				
Owners of Sasol Limited		**10 796**	26 062	16 772
Non-controlling interests in subsidiaries		**38**	1 118	520
		10 834	27 180	17 292

business segment information

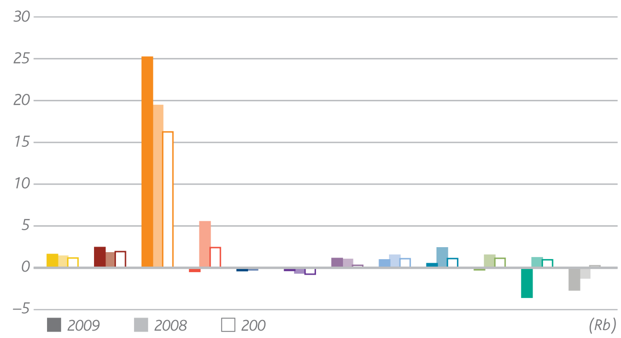
External turnover*

	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**58 167**	58 515	42 561
Mining	**2 885**	2 470	1 694
Gas	**2 829**	2 563	2 075
Synfuels	**1 367**	982	976
Oil	**51 086**	52 500	37 816
International energy cluster	**4 183**	3 016	842
Synfuels International	**3 027**	1 788	65
Petroleum International	**1 156**	1 228	777
Chemical cluster	**75 315**	68 187	54 296
Polymers	**15 326**	11 162	9 305
Solvents	**16 317**	15 585	12 509
Olefins & Surfactants	**28 867**	28 125	22 012
Other	**14 805**	13 315	10 470
Other businesses	**171**	225	428
Total	**137 836**	129 943	98 127



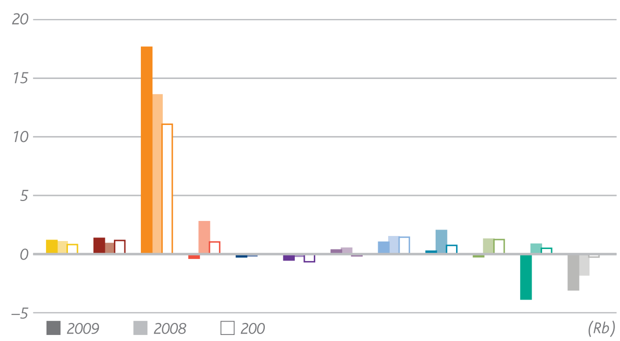
Operating profit/(losses)

	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**28 684**	28 048	21 775
Mining	**1 593**	1 393	1 171
Gas	**2 424**	1 785	1 936
Synfuels	**25 188**	19 416	16 251
Oil	**(351)**	5 507	2 417
Other	**(170)**	(53)	–
International energy cluster	**880**	383	(463)
Synfuels International	**(235)**	(621)	(763)
Petroleum International	**1 115**	1 004	300
Chemical cluster	**(2 244)**	6 605	4 292
Polymers	**946**	1 511	1 089
Solvents	**495**	2 382	1 104
Olefins & Surfactants	**(160)**	1 512	1 140
Other	**(3 525)**	1 200	959
Other businesses	**(2 654)**	(1 220)	17
Total	**24 666**	33 816	25 621



Contribution to attributable earnings

	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**19 628**	18 251	14 090
Mining	**1 163**	1 053	814
Gas	**1 344**	904	1 163
Synfuels	**17 643**	13 582	11 076
Oil	**(353)**	2 765	1 037
Other	**(169)**	(53)	–
International energy cluster	**(153)**	318	(726)
Synfuels International	**(505)**	(189)	(653)
Petroleum International	**352**	507	(73)
Chemical cluster	**(2 773)**	5 627	3 921
Polymers	**1 016**	1 485	1 443
Solvents	**191**	2 015	742
Olefins & Surfactants	**(143)**	1 279	1 241
Other	**(3 837)**	848	495
Other businesses	**(3 054)**	(1 779)	(255)
Total	**13 648**	22 417	17 030



* Excludes inter-segment sales.

statement of financial position *(US dollar convenience translation)*

at 30 June

	2009 US$m	2008 US$m	2007 US$m
Assets			
Property, plant and equipment	**9 104**	8 464	7 189
Assets under construction	**1 875**	1 493	3 496
Goodwill	**104**	112	84
Other intangible assets	**138**	123	89
Investments in securities	**74**	71	67
Investments in associates	**281**	106	98
Post-retirement benefit assets	**93**	73	52
Long-term receivables and prepaid expenses	**188**	177	225
Long-term financial assets	**2**	88	42
Deferred tax assets	**153**	186	120
Non-current assets	**12 012**	10 893	11 462
Investments in securities	**10**	10	10
Assets held for sale	**11**	490	48
Inventories	**1 888**	2 565	2 045
Trade receivables	**1 963**	2 917	2 093
Other receivables and prepaid expenses	**241**	307	310
Short-term financial assets	**67**	42	3
Cash restricted for use	**161**	104	92
Cash	**2 513**	566	850
Current assets	**6 854**	7 001	5 451
Total assets	**18 866**	17 894	16 913
Equity and liabilities			
Shareholders' equity	**10 846**	9 767	8 752
Non-controlling interest	**308**	322	235
Total equity	**11 154**	10 089	8 987
Long-term debt	**1 761**	2 003	1 898
Long-term financial liabilities	**19**	5	8
Long-term provisions	**741**	573	521
Post-retirement benefit obligations	**576**	585	537
Long-term deferred income	**38**	48	393
Deferred tax liabilities	**1 186**	1 079	1 179
Non-current liabilities	**4 321**	4 293	4 536
Liabilities in disposal groups held for sale	**8**	18	5
Short-term debt	**616**	446	799
Short-term financial liabilities	**46**	8	54
Short-term provisions	**465**	360	383
Short-term deferred income	**60**	21	6
Tax payable	**87**	194	208
Trade payables and accrued expenses	**1 483**	1 877	1 332
Other payables	**616**	471	526
Bank overdraft	**10**	117	77
Current liabilities	**3 391**	3 512	3 390
Total equity and liabilities	**18 866**	17 894	16 913
Exchange rate			
Converted at closing rate of Rand per 1US$	**7,73**	7,83	7,04

income statement (US dollar convenience translation)

for the year ended 30 June

	2009 US$m	2008 US$m	2007 US$m
Turnover	**15 247**	17 801	13 629
Cost of sales and services rendered	**(9 791)**	(10 224)	(8 333)
Gross profit	**5 456**	7 577	5 296
Other operating income	**113**	87	89
Marketing and distribution expenditure	**(839)**	(950)	(808)
Administrative expenditure	**(1 001)**	(917)	(846)
Other operating expenditure	**(1 001)**	(1 165)	(172)
Other expenses	**(983)**	(1 206)	(140)
Translation (losses)/gains	**(18)**	41	(32)
Operating profit	**2 728**	4 632	3 559
Finance income	**198**	101	115
Share of profit of associates (net of tax)	**30**	35	56
Finance expenses	**(280)**	(157)	(160)
Profit before tax	**2 676**	4 611	3 570
Taxation	**(1 159)**	(1 388)	(1 132)
Profit	**1 517**	3 223	2 438
Attributable to			
Owners of Sasol Limited	**1 510**	3 071	2 366
Non-controlling interests in subsidiaries	**7**	152	72
	1 517	3 223	2 438

	US$	US$	US$
Per share information			
Basic earnings per share	**2,53**	5,11	3,80
Diluted earnings per share	**2,46**	5,04	3,75
Exchange rate			
Converted at average rate of Rand per 1US$	**9,04**	7,30	7,20

statement of changes in equity

for the year ended 30 June

	Share capital (note 45) Rm	Share-based payment reserve (note 46) Rm	Foreign currency translation reserve (note 47) Rm	Investment fair value reserve Rm
Balance at 30 June 2006	**3 634**	**780**	**(189)**	**2**
Shares issued on implementation of share options	332	–	–	–
Cancellation of shares	(338)	–	–	–
Repurchase of shares	–	–	–	–
Share-based payment expense	–	186	–	–
Change in shareholding of subsidiaries	–	–	4	–
Total comprehensive income for year	–	–	(258)	–
Dividends paid	–	–	–	–
Balance at 30 June 2007	**3 628**	**966**	**(443)**	**2**
Shares issued on implementation of share options	475	–	–	–
Shares issued on Sasol Inzalo share transaction	16 161	–	–	–
Costs on implementation of Sasol Inzalo share transaction	(88)	–	–	–
Repurchase of shares	–	–	–	–
Share-based payment expense	–	1 574	–	–
Acquisition of businesses (refer note 55)	–	–	–	–
Change in shareholding of subsidiaries	–	–	–	–
Total comprehensive income for year	–	–	3 449	(1)
Dividends paid	–	–	–	–
Balance at 30 June 2008	**20 176**	**2 540**	**3 006**	**1**
Shares issued on implementation of share options	155	–	–	–
Shares issued on Sasol Inzalo share transaction	6 927	–	–	–
Costs on implementation of Sasol Inzalo share transaction	(35)	–	–	–
Cancellation of shares	(198)	–	–	–
Repurchase of shares	–	–	–	–
Share-based payment expense	–	3 293	–	–
Disposal of businesses (refer note 56)	–	–	414	–
Change in shareholding of subsidiaries	–	–	–	–
Total comprehensive income for year	–	–	(2 481)	1
Dividends paid	–	–	–	–
Balance at 30 June 2009	**27 025**	**5 833**	**939**	**2**

	Cash flow hedge accounting reserve Rm	Sasol Inzalo share transaction (note 46) Rm	Share repurchase programme (note 48) Rm	Retained earnings Rm	**Shareholders' equity Rm**	Non-controlling interest Rm	**Total equity Rm**
	24	**–**	**(3 647)**	**52 001**	**52 605**	**379**	**52 984**
	–	–	–	–	**332**	–	**332**
	–	–	3 647	(3 309)	**–**	–	**–**
	–	–	(3 669)	–	**(3 669)**	–	**(3 669)**
	–	–	–	–	**186**	–	**186**
	–	–	–	–	**4**	1 161	**1 165**
	–	–	–	17 030	**16 772**	520	**17 292**
	–	–	–	(4 613)	**(4 613)**	(408)	**(5 021)**
	24	**–**	**(3 669)**	**61 109**	**61 617**	**1 652**	**63 269**
	–	–	–	–	**475**	–	**475**
	–	(16 161)	–	–	**–**	–	**–**
	–	–	–	–	**(88)**	–	**(88)**
	–	–	(7 300)	–	**(7 300)**	–	**(7 300)**
	–	–	–	–	**1 574**	–	**1 574**
	–	–	–	(100)	**(100)**	–	**(100)**
	–	–	–	–	**–**	306	**306**
	197	–	–	22 417	**26 062**	1 118	**27 180**
	–	–	–	(5 766)	**(5 766)**	(555)	**(6 321)**
	221	**(16 161)**	**(10 969)**	**77 660**	**76 474**	**2 521**	**78 995**
	–	–	–	–	**155**	–	**155**
	–	(5 893)	–	–	**1 034**	–	**1 034**
	–	–	–	–	**(35)**	–	**(35)**
	–	–	9 442	(9 244)	**–**	–	**–**
	–	–	(1 114)	–	**(1 114)**	–	**(1 114)**
	–	–	–	–	**3 293**	–	**3 293**
	–	–	–	11	**425**	–	**425**
	–	–	–	–	**–**	406	**406**
	(372)	–	–	13 648	**10 796**	38	**10 834**
	–	–	–	(7 193)	**(7 193)**	(583)	**(7 776)**
	(151)	**(22 054)**	**(2 641)**	**74 882**	**83 835**	**2 382**	**86 217**

statement of cash flows

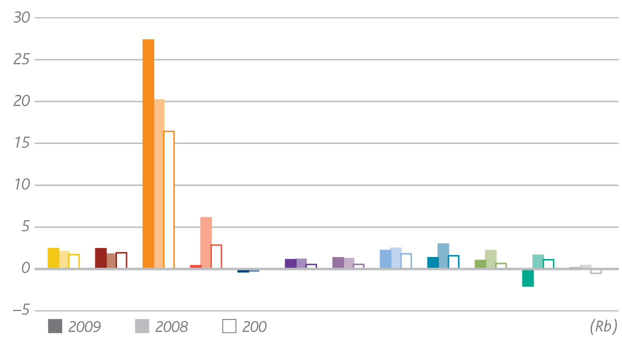
for the year ended 30 June

	Note	2009 Rm	2008 Rm	2007 Rm
Cash receipts from customers		**144 963**	123 452	97 339
Cash paid to suppliers and employees		**(96 776)**	(88 712)	(68 907)
Cash generated by operating activities	49	**48 187**	34 740	28 432
Finance income received	52	**2 264**	957	1 059
Finance expenses paid	40	**(2 168)**	(2 405)	(1 816)
Tax paid	28	**(10 252)**	(9 572)	(7 251)
Cash available from operating activities		**38 031**	23 720	20 424
Dividends paid	53	**(7 193)**	(5 766)	(4 613)
Cash retained from operating activities		**30 838**	17 954	15 811
Additions to non-current assets		**(15 672)**	(10 855)	(12 045)
Additions to property, plant and equipment	3	**(2 499)**	(2 167)	(1 544)
Additions to assets under construction	4	**(13 047)**	(8 671)	(10 479)
Additions to other intangible assets	6	**(126)**	(17)	(22)
Non-current assets sold	54	**697**	184	193
Repurchase of participation right in GTL project	42	**–**	(34)	–
Acquisition of businesses	55	**(30)**	(431)	(285)
Cash acquired on acquisition of businesses	55	**19**	19	–
Disposal of businesses	56	**3 486**	693	2 200
(Cash)/overdraft disposed of on disposal of businesses	56	**–**	(31)	33
Additional investments and loans advanced to associates	8	**(524)**	–	–
Purchase of investments		**(89)**	(42)	(79)
Proceeds from sale of investments		**7**	–	–
Increase in long-term receivables		**(412)**	(347)	(562)
Cash utilised in investing activities		**(12 518)**	(10 844)	(10 545)
Share capital issued on implementation of share options		**155**	475	332
Share capital issued on implementation of Sasol Inzalo share transaction		**1 034**	–	–
Costs on implementation of Sasol Inzalo share transaction		**(35)**	(88)	–
Share repurchase programme		**(1 114)**	(7 300)	(3 669)
Contributions from non-controlling shareholders		**406**	185	–
Dividends paid to non-controlling shareholders		**(583)**	(555)	(408)
Proceeds from long-term debt	18	**5 575**	3 806	1 021
Repayments of long-term debt	18	**(4 820)**	(4 588)	(1 034)
Proceeds from short-term debt	24	**280**	1 942	1 918
Repayments of short-term debt	24	**(2 091)**	(2 292)	(1 053)
Cash effect of financing activities		**(1 193)**	(8 415)	(2 893)
Translation effects on cash and cash equivalents of foreign operations	47	**(870)**	324	(24)
Increase/(decrease) in cash and cash equivalents		**16 257**	(981)	2 349
Cash and cash equivalents at beginning of year		**4 335**	6 088	3 244
Net reclassification (to)/from held for sale		**–**	(772)	495
Cash and cash equivalents at end of year	17	**20 592**	4 335	6 088

business segment information

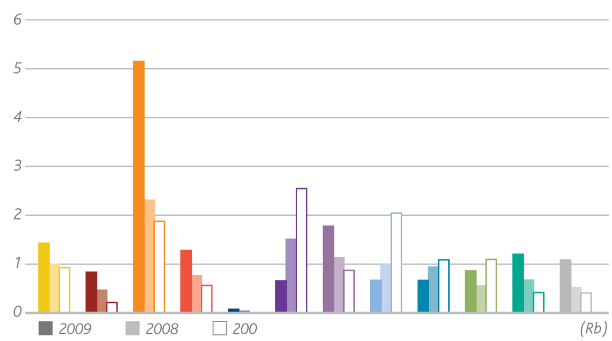
Cash flow from operations (refer note 50)

	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	32 784	30 513	22 865
Mining	2 437	2 077	1 716
Gas	2 778	2 192	1 856
Synfuels	27 346	20 185	16 430
Oil	393	6 112	2 863
Other	(170)	(53)	–
International energy cluster	2 453	2 406	1 089
Synfuels International	1 113	1 157	540
Petroleum International	1 340	1 244	549
Chemical cluster	2 545	9 303	5 161
Polymers	2 211	2 479	1 815
Solvents	1 348	2 979	1 583
Olefins & Surfactants	1 020	2 204	657
Other	(2 034)	1 641	1 106
Other businesses	30	341	(497)
Total	37 812	42 558	28 618

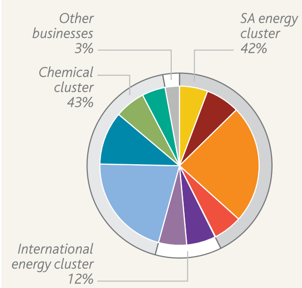


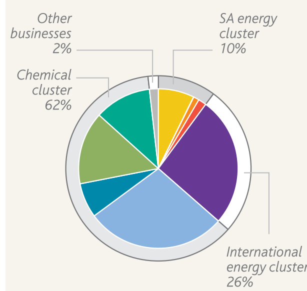
Additions to property, plant and equipment,assets under construction and other intangible assets

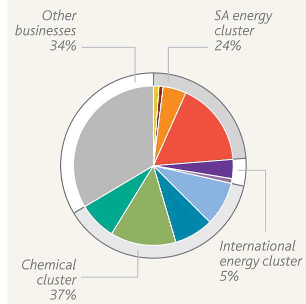
	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	8 758	4 531	3 578
Mining	1 427	997	927
Gas	834	466	214
Synfuels	5 144	2 305	1 874
Oil	1 278	762	563
Other	75	1	–
International energy cluster	2 432	2 637	3 415
Synfuels International	657	1 508	2 544
Petroleum International	1 775	1 129	871
Chemical cluster	3 397	3 168	4 642
Polymers	668	1 001	2 042
Solvents	666	939	1 087
Olefins & Surfactants	862	555	1 095
Other	1 201	673	418
Other businesses	1 085	519	410
Total	15 672	10 855	12 045



business segment information



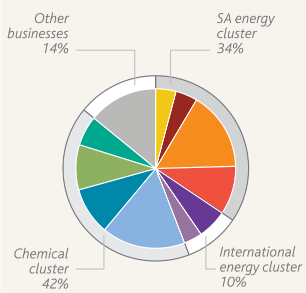


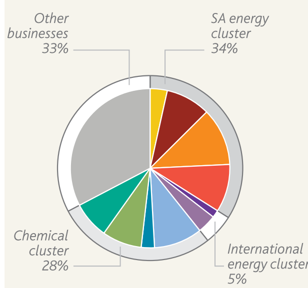


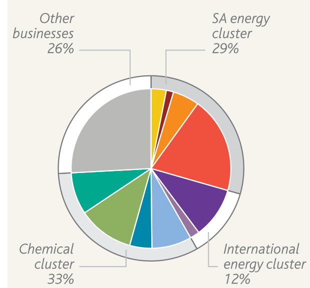
	Property, plant and equipment, assets under construction and other intangible assets			Other non-current assets*			Current assets		
	2009 Rm	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm
South African energy cluster	**36 629**	30 299	27 974	**580**	610	421	**12 569**	17 895	11 799
Mining	**4 930**	4 112	3 912	**417**	386	329	**600**	776	596
Gas	**5 934**	5 421	5 324	**3**	16	24	**446**	533	450
Synfuels	**20 659**	16 486	14 655	**66**	111	42	**2 483**	1 675	1 467
Oil	**5 031**	4 280	4 083	**94**	97	26	**9 031**	14 906	9 286
Other	**75**	–	–	**–**	–	–	**9**	5	–
International energy cluster	**10 000**	8 806	12 822	**1 510**	5	659	**2 569**	6 331	1 785
Synfuels International	**5 091**	4 928	9 956	**1 510**	5	659	**2 066**	5 959	1 488
Petroleum International	**4 909**	3 878	2 866	**–**	–	–	**503**	372	297
Chemical cluster	**36 810**	38 201	33 911	**3 543**	3 565	2 606	**20 059**	27 935	19 668
Polymers	**18 113**	19 239	17 513	**1 632**	1 641	1 241	**4 729**	4 496	2 968
Solvents	**9 294**	9 457	8 647	**404**	454	352	**4 223**	5 458	4 550
Olefins & Surfactants	**5 321**	5 914	4 771	**846**	746	524	**7 038**	12 111	8 454
Other	**4 082**	3 591	2 980	**661**	724	489	**4 069**	5 870	3 696
Other businesses	**2 495**	1 624	1 144	**103**	726	308	**17 787**	2 662	5 123
Total	**85 934**	78 930	75 851	**5 736**	4 906	3 994	**52 984**	54 823	38 375

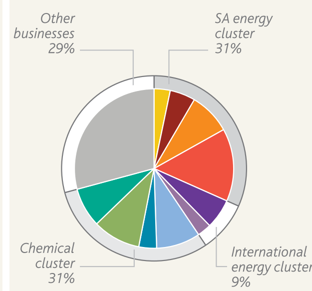
* *Excludes tax and deferred tax.*

Total consolidated assets*			Non-current liabilities*			Current liabilities*			Total consolidated liabilities*		



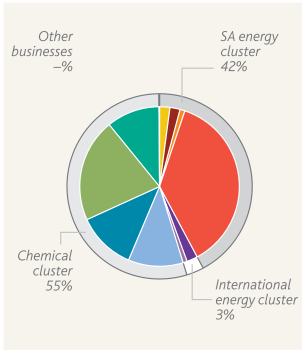
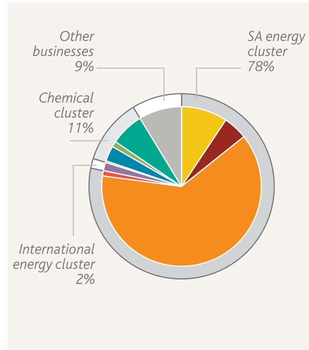
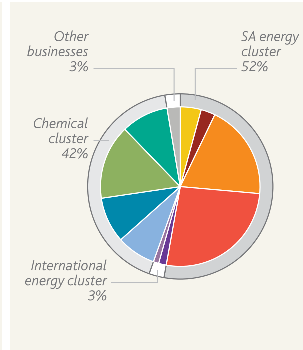


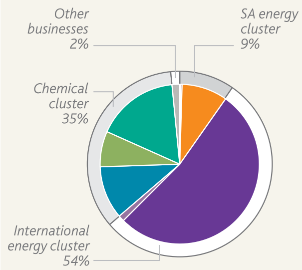


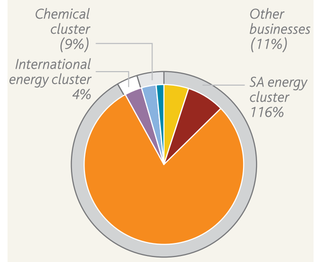


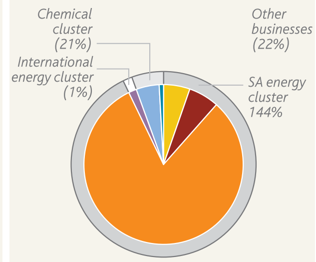
2009 Rm	2008 Rm	2007 Rm	2009 Rm	2008 Rm	2007 Rm	2009 Rm	2008 Rm	2007 Rm	2009 Rm	2008 Rm	2007 Rm
49 778	48 804	40 194	**8 233**	7 007	7 149	**7 520**	8 135	5 991	**15 753**	15 142	13 140
5 947	5 274	4 837	**844**	746	743	**792**	788	624	**1 636**	1 534	1 367
6 383	5 970	5 798	**2 194**	2 285	2 498	**373**	404	380	**2 567**	2 689	2 878
23 208	18 272	16 164	**2 837**	1 874	1 684	**1 372**	1 472	1 281	**4 209**	3 346	2 965
14 156	19 283	13 395	**2 358**	2 102	2 224	**4 983**	5 471	3 706	**7 341**	7 573	5 930
84	5	–	**–**	–	–	**–**	–	–	**–**	–	–
14 079	15 142	15 266	**1 292**	3 768	6 191	**3 141**	1 812	1 394	**4 433**	5 580	7 585
8 667	10 892	12 103	**366**	2 813	5 191	**2 645**	1 482	908	**3 011**	4 295	6 099
5 412	4 250	3 163	**926**	955	1 000	**496**	330	486	**1 422**	1 285	1 486
60 412	69 701	56 185	**6 790**	7 567	6 271	**8 274**	11 735	7 766	**15 064**	19 302	14 037
24 474	25 376	21 722	**2 378**	2 914	2 119	**2 062**	2 349	1 324	**4 440**	5 263	3 443
13 921	15 369	13 549	**651**	646	1 067	**1 148**	1 706	1 329	**1 799**	2 352	2 396
13 205	18 771	13 749	**1 948**	2 361	1 703	**2 891**	5 049	3 463	**4 839**	7 410	5 166
8 812	10 185	7 165	**1 813**	1 646	1 382	**2 173**	2 631	1 650	**3 986**	4 277	3 032
20 385	5 012	6 575	**7 923**	6 822	4 015	**6 605**	4 303	7 250	**14 528**	11 125	11 265
144 654	138 659	118 220	**24 238**	25 164	23 626	**25 540**	25 985	22 401	**49 778**	51 149	46 027

business segment information

	External turnover			Intersegment turnover			Total turnover		
									
	2009 Rm	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm
South African energy cluster	**58 167**	58 515	42 561	**45 191**	46 275	34 458	**103 358**	104 790	77 019
Mining	**2 885**	2 470	1 694	**5 412**	5 009	4 348	**8 297**	7 479	6 042
Gas	**2 829**	2 563	2 075	**2 837**	2 134	1 627	**5 666**	4 697	3 702
Synfuels	**1 367**	982	976	**36 334**	38 634	28 108	**37 701**	39 616	29 084
Oil	**51 086**	52 500	37 816	**608**	498	375	**51 694**	52 998	38 191
Other	**–**	–	–	**–**	–	–	**–**	–	–
International energy cluster	**4 183**	3 016	842	**983**	748	623	**5 166**	3 764	1 465
Synfuels International	**3 027**	1 788	65	**–**	5	–	**3 027**	1 793	65
Petroleum International	**1 156**	1 228	777	**983**	743	623	**2 139**	1 971	1 400
Chemical cluster	**75 315**	68 187	54 296	**6 598**	5 509	4 584	**81 913**	73 696	58 880
Polymers	**15 326**	11 162	9 305	**199**	142	105	**15 525**	11 304	9 410
Solvents	**16 317**	15 585	12 509	**1 798**	1 597	1 257	**18 115**	17 182	13 766
Olefins & Surfactants	**28 867**	28 125	22 012	**667**	655	570	**29 534**	28 780	22 582
Other	**14 805**	13 315	10 470	**3 934**	3 115	2 652	**18 739**	16 430	13 122
Other businesses	**171**	225	428	**5 038**	4 048	2 416	**5 209**	4 273	2 844
Total	**137 836**	129 943	98 127	**57 810**	56 580	42 081	**195 646**	186 523	140 208



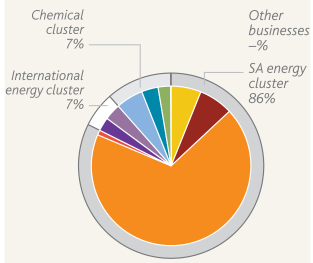
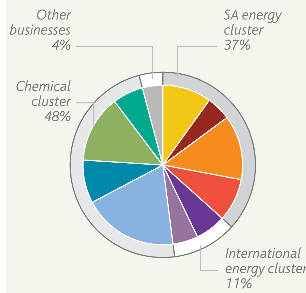
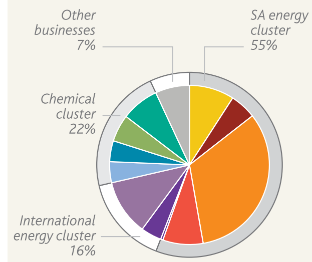




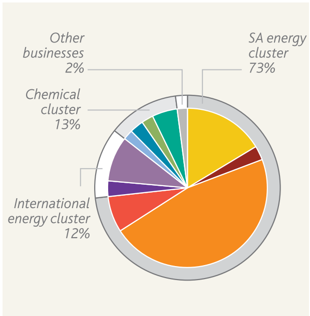
Translation (losses)/gains			Effect of remeasurement items (before tax) (refer note 42)			Operating profit/(losses)			Contribution to attributable earnings		
2009 Rm	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm
(48)	96	(160)	**141**	(116)	291	**28 684**	28 048	21 775	**19 628**	18 251	14 090
7	(7)	(11)	**3**	(7)	(13)	**1 593**	1 393	1 171	**1 163**	1 053	814
(31)	(6)	(8)	**4**	(104)	370	**2 424**	1 785	1 936	**1 344**	904	1 163
(152)	(5)	1	**137**	(25)	(64)	**25 188**	19 416	16 251	**17 643**	13 582	11 076
130	114	(142)	**(3)**	20	(2)	**(351)**	5 507	2 417	**(353)**	2 765	1 037
(2)	–	–	**–**	–	–	**(170)**	(53)	–	**(169)**	(53)	–
194	(2)	(47)	**795**	(369)	–	**880**	383	(463)	**(153)**	318	(726)
(13)	(16)	(15)	**777**	(396)	–	**(235)**	(621)	(763)	**(505)**	(189)	(653)
207	14	(32)	**18**	27	–	**1 115**	1 004	300	**352**	507	(73)
190	153	(46)	**510**	(294)	538	**(2 244)**	6 605	4 292	**(2 773)**	5 627	3 921
44	296	12	**(1)**	12	(9)	**946**	1 511	1 089	**1 016**	1 485	1 443
1	404	(1)	**158**	(104)	(146)	**495**	2 382	1 104	**191**	2 015	742
84	32	(48)	**106**	27	707	**(160)**	1 512	1 140	**(143)**	1 279	1 241
61	(579)	(9)	**247**	(229)	(14)	**(3 525)**	1 200	959	**(3 837)**	848	495
(502)	53	21	**23**	81	311	**(2 654)**	(1 220)	17	**(3 054)**	(1 779)	(255)
(166)	300	(232)	**1 469**	(698)	1 140	**24 666**	33 816	25 621	**13 648**	22 417	17 030

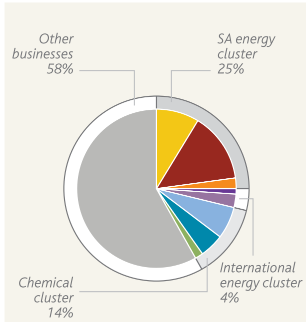
business segment information

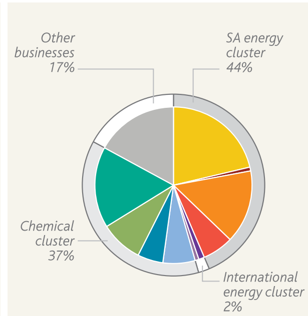
Cash flow information

	Cash flow from operations (refer note 50)			Depreciation and amortisation			Additions to non-current assets		
									
	2009 Rm	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm
South African energy cluster	**32 784**	30 513	22 865	**(2 289)**	(2 146)	(2 026)	**8 758**	4 531	3 578
Mining	**2 437**	2 077	1 716	**(619)**	(650)	(659)	**1 427**	997	927
Gas	**2 778**	2 192	1 856	**(310)**	(289)	(271)	**834**	466	214
Synfuels	**27 346**	20 185	16 430	**(816)**	(720)	(631)	**5 144**	2 305	1 874
Oil	**393**	6 112	2 863	**(544)**	(487)	(465)	**1 278**	762	563
Other	**(170)**	(53)	–	**–**	–	–	**75**	1	–
International energy cluster	**2 453**	2 401	1 089	**(706)**	(537)	(346)	**2 432**	2 637	3 415
Synfuels International	**1 113**	1 157	540	**(386)**	(286)	(90)	**657**	1 508	2 544
Petroleum International	**1 340**	1 244	549	**(320)**	(251)	(256)	**1 775**	1 129	871
Chemical cluster	**2 545**	9 303	5 161	**(2 993)**	(2 365)	(1 529)	**3 397**	3 168	4 642
Polymers	**2 211**	2 479	1 815	**(1 205)**	(783)	(544)	**668**	1 001	2 042
Solvents	**1 348**	2 979	1 583	**(546)**	(477)	(434)	**666**	939	1 087
Olefins & Surfactants	**1 020**	2 204	657	**(854)**	(775)	(219)	**862**	555	1 095
Other	**(2 034)**	1 641	1 106	**(388)**	(330)	(332)	**1 201**	673	418
Other businesses	**30**	341	(497)	**(257)**	(164)	(121)	**1 085**	519	410
Total	**37 812**	42 558	28 618	**(6 245)**	(5 212)	(4 022)	**15 672**	10 855	12 045

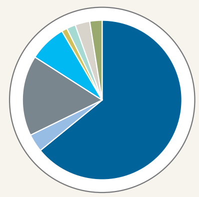
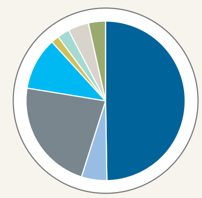
Capital commitments								
Property, plant and equipment			Other intangible assets			Number of employees		
2009 Rm	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm	**2009 Number**	2008 Number	2007 Number
18 402	13 575	9 501	**46**	12	16	**14 622**	14 525	13 754
4 107	781	654	**16**	9	10	**7 139**	7 329	6 904
724	1 110	1 410	**26**	–	–	**263**	218	217
11 732	10 656	6 864	**4**	1	6	**5 078**	4 791	4 586
1 839	1 028	573	**–**	2	–	**2 142**	2 187	2 047
–	–	–	**–**	–	–	**–**	–	–
3 105	7 198	5 902	**7**	9	1	**659**	730	855
798	3 448	3 414	**2**	1	1	**395**	458	629
2 307	3 750	2 488	**5**	8	–	**264**	272	226
3 099	3 398	2 747	**24**	33	13	**12 539**	12 842	12 242
504	559	753	**12**	19	3	**2 221**	2 178	1 815
706	1 021	946	**9**	10	–	**1 762**	1 839	1 754
604	912	443	**3**	3	7	**2 936**	3 143	3 279
1 285	906	605	**–**	1	3	**5 620**	5 682	5 394
519	782	387	**107**	41	8	**5 724**	5 831	5 009
25 125	24 953	18 537	**184**	95	38	**33 544**	33 928	31 860



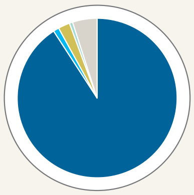
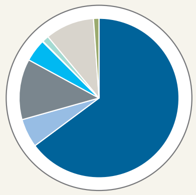
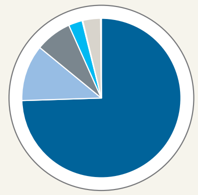
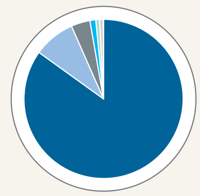




geographic segment information

	Total turnover			External turnover		
						
	2009 Rm	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm
South Africa	**125 417**	122 533	91 490	**68 561**	67 632	50 908
Rest of Africa	**7 144**	7 842	6 373	**7 121**	7 098	5 747
Mozambique	**282**	898	899	**259**	154	275
Nigeria	**556**	456	142	**556**	456	140
Rest of Africa	**6 306**	6 488	5 332	**6 306**	6 488	5 332
Europe	**31 901**	29 882	23 060	**31 230**	29 204	22 448
Germany	**8 824**	8 904	7 060	**8 183**	8 262	6 513
Italy	**3 567**	3 738	3 154	**3 563**	3 734	3 153
Rest of Europe	**19 510**	17 240	12 846	**19 484**	17 208	12 782
North America	**14 727**	14 148	11 310	**14 692**	14 094	11 258
United States of America	**13 549**	12 926	10 398	**13 514**	12 872	10 346
Rest of North America	**1 178**	1 222	912	**1 178**	1 222	912
South America	**2 211**	2 592	1 387	**2 211**	2 592	1 387
Southeast Asia and Australasia	**3 532**	2 628	1 943	**3 414**	2 548	1 890
Middle East and India	**5 838**	2 740	1 695	**5 818**	2 733	1 672
Iran	**1 934**	301	103	**1 934**	298	82
Qatar	**27**	154	19	**26**	151	11
Rest of Middle East and India	**3 877**	2 285	1 573	**3 858**	2 284	1 579
Far East	**4 876**	4 158	2 950	**4 789**	4 042	2 817
Total	**195 646**	186 523	140 208	**137 836**	129 943	98 127

* *Excludes deferred tax.*

Operating profit/(loss)			Total consolidated assets*			Additions to non-current assets (by location of assets)			Capital commitments of non-current assets		
											
2009 Rm	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm	**2009 Rm**	2008 Rm	2007 Rm
25 727	26 877	22 259	**93 739**	79 511	70 320	**11 674**	6 914	6 538	**21 495**	16 850	11 804
(288)	1 044	701	**8 423**	10 067	12 580	**1 790**	2 060	2 775	**2 144**	6 380	5 370
92	462	(13)	**5 300**	4 611	4 254	**1 334**	909	536	**1 856**	3 439	2 192
(717)	(298)	(15)	**1 947**	4 350	7 288	**–**	1 012	2 046	**153**	2 674	2 986
337	880	729	**1 176**	1 106	1 038	**456**	139	193	**135**	267	192
(3 050)	3 263	1 757	**17 801**	22 115	14 944	**1 158**	988	832	**974**	1 340	764
(3 504)	114	190	**7 969**	9 917	7 527	**795**	469	590	**785**	940	208
(155)	115	1 108	**2 282**	4 105	2 615	**239**	145	158	**71**	232	168
609	3 034	459	**7 550**	8 093	4 802	**124**	374	84	**118**	168	388
329	991	691	**6 615**	8 177	6 551	**439**	89	400	**301**	302	76
258	905	779	**6 459**	8 006	6 418	**439**	89	400	**301**	302	76
71	86	(88)	**156**	171	133	**–**	–	–	**–**	–	–
668	849	(5)	**192**	453	225	**–**	–	1	**–**	–	–
186	581	214	**1 924**	2 241	1 626	**22**	7	7	**190**	–	–
1 409	(7)	(125)	**14 363**	14 059	10 798	**566**	729	1 343	**199**	164	480
1 080	(45)	(3)	**7 541**	8 346	5 804	**263**	457	774	**104**	96	332
(223)	(298)	(282)	**5 544**	5 044	4 472	**301**	268	564	**95**	68	148
552	336	160	**1 278**	669	522	**2**	4	5	**–**	–	–
(315)	218	129	**1 597**	2 036	1 176	**23**	68	149	**6**	12	81
24 666	33 816	25 621	**144 654**	138 659	118 220	**15 672**	10 855	12 045	**25 309**	25 048	18 575

changes to comparative information

at 30 June

	Note
Reclassification of comparative information	1
Accounting standards not yet effective	2

for the year ended 30 June	2008 Rm	2007 Rm

1 Reclassification of comparative information

1.1 Reclassification from other payables to short-term deferred income

The group has reclassified amounts previously included in other payables as part of short-term deferred income, having risks and rewards more closely aligned to revenue received in advance. Management concluded that the classification of these amounts as short-term deferred income better reflects the underlying nature of the liability. The reclassification had no impact on earnings.

The effect of the reclassification in the statement of financial position is:

	2008 Rm	2007 Rm
Short-term deferred income		
Balance as previously reported	**167**	44
Effect of reclassification from other payables	**209**	119
Restated balance	**376**	163
Other payables		
Balance as previously reported	**3 686**	3 704
Effect of reclassification to short-term deferred income	**(209)**	(119)
Restated balance	**3 477**	3 585

1.2 Reclassification from other short-term provisions to other payables

The group has reclassified amounts relating to employee related payables previously included in other short-term provisions as part of other payables, having risks and rewards more closely aligned to accruals. Management concluded that the classification of these amounts as other payables better reflects the underlying nature of the liability. The reclassification had no impact on earnings.

The effect of the reclassification in the statement of financial position is:

	2008 Rm	2007 Rm
Short-term provisions – Employee provisions		
Balance as previously reported	**998**	1 234
Effect of reclassification from other payables	**(868)**	(1 192)
Restated balance	**130**	42
Other payables – Employee related payables		
Balance as previously reported	**1 722**	826
Effect of reclassification from short-term provisions	**868**	1 192
Restated balance	**2 590**	2 018

2 Accounting standards not yet effective

The following accounting standards, interpretations and amendments to published accounting standards which are relevant to the group but not yet effective, have not been adopted in the current year:

IAS 23 (Revised) Borrowing Costs

The effective date for adoption of this standard is for periods commencing on or after 1 July 2009. This standard will be adopted by the group for the year ending 30 June 2010. The standard will have minimal impact on the financial statements of the group as it is the group's current policy to capitalise borrowing costs on qualifying assets.

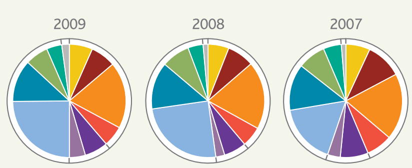
non-current assets

at 30 June

	Note	2009 Rm	2008 Rm	2007 Rm
Property, plant and equipment	3	**70 370**	66 273	50 611
Assets under construction	4	**14 496**	11 693	24 611
Goodwill	5	**805**	874	586
Other intangible assets	6	**1 068**	964	629
Investments in securities	7	**574**	557	472
Investments in associates	8	**2 170**	830	692
Post-retirement benefit assets	9	**716**	571	363
Long-term receivables and prepaid expenses	10	**1 456**	1 385	1 585
Long-term financial assets	11	**15**	689	296
Deferred tax assets	23	**1 184**	1 453	845
		92 854	85 289	80 690

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
3 Property, plant and equipment				
Cost				
Balance at beginning of year		**123 526**	99 309	68 844
Acquisition of businesses	55	**17**	(222)	31
Additions		**2 742**	2 111	1 620
to enhance existing operations		**2 223**	1 712	1 225
to expand operations		**519**	399	395
Finance expenses capitalised	40	**–**	6	8
Transfer from assets under construction	4	**9 347**	16 698	10 121
Net transfer to other intangible assets	6	**(3)**	(3)	(6)
Transfer to inventories		**(62)**	(148)	(3)
Net reclassification (to)/from held for sale		**(618)**	–	19 550
Translation of foreign operations	47	**(3 923)**	7 031	441
Disposal of businesses	56	**(1)**	(2)	–
Disposals and scrapping		**(1 465)**	(1 254)	(1 297)
Balance at end of year		**129 560**	123 526	99 309
Comprising				
Land		**1 075**	885	716
Buildings and improvements		**6 859**	6 946	4 571
Retail convenience centres		**1 263**	1 184	1 094
Plant, equipment and vehicles		**107 329**	104 108	83 263
Mineral assets		**13 034**	10 403	9 665
		129 560	123 526	99 309

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
3 *Property, plant and equipment* continued				
Accumulated depreciation and impairment				
Balance at beginning of year		**57 253**	48 698	28 915
Acquisition of businesses	55	**–**	(322)	–
Current year charge	35	**6 059**	5 020	3 743
Impairment of property, plant and equipment	42	**294**	447	19
Reversal of impairment of property, plant and equipment	42	**–**	(381)	–
Reversal of fair value write-down of disposal group held for sale		**–**	–	(486)
Net transfer (to)/from other intangible assets	6	**(2)**	2	(4)
Transfer to inventories		**(19)**	(51)	(3)
Net reclassification (to)/from held for sale		**(596)**	–	17 084
Translation of foreign operations	47	**(2 509)**	4 949	481
Disposal of businesses	56	**(1)**	–	(2)
Disposals and scrapping		**(1 289)**	(1 109)	(1 049)
Balance at end of year		**59 190**	57 253	48 698
Comprising				
Land		**224**	253	178
Buildings and improvements		**3 317**	3 352	2 514
Retail convenience centres		**280**	222	172
Plant, equipment and vehicles		**49 774**	48 417	41 282
Mineral assets		**5 595**	5 009	4 552
		59 190	57 253	48 698
Carrying value				
Land		**851**	632	538
Buildings and improvements		**3 542**	3 594	2 057
Retail convenience centres		**983**	962	922
Plant, equipment and vehicles		**57 555**	55 691	41 981
Mineral assets		**7 439**	5 394	5 113
Balance at end of year		**70 370**	66 273	50 611
Business segmentation				
South African energy cluster		**27 314**	25 752	22 071
Mining		**4 672**	3 962	3 508
Gas		**5 049**	5 097	5 222
Synfuels		**13 361**	12 853	9 589
Oil		**4 157**	3 840	3 752
Other SA Energy		**75**	–	–
International energy cluster		**7 909**	5 928	5 875
Synfuels International		**4 698**	4 240	4 036
Petroleum International		**3 211**	1 688	1 839
Chemical cluster		**33 625**	33 660	22 016
Polymers		**17 465**	16 506	8 665
Solvents		**8 467**	8 922	6 707
Olefins & Surfactants		**4 632**	5 358	4 038
Other		**3 061**	2 874	2 606
Other businesses		**1 522**	933	649
Total operations		**70 370**	66 273	50 611



3 *Property, plant and equipment continued*

2009	Land Rm	Buildings and improvements Rm	Retail convenience centres Rm	Plant, equipment and vehicles Rm	Mineral assets Rm	Total Rm
Cost						
Balance at beginning of year	885	6 946	1 184	104 108	10 403	**123 526**
Acquisition of businesses	3	14	–	–	–	**17**
Additions	288	77	65	1 150	1 162	**2 742**
to enhance existing operations	55	73	3	927	1 165	**2 223**
to expand operations	233	4	62	223	(3)	**519**
Reclassification of property, plant and equipment	–	(16)	–	18	(2)	**–**
Transfer from assets under construction	–	312	17	7 118	1 900	**9 347**
Net transfer to other intangible assets	–	–	–	(3)	–	**(3)**
Transfer to inventories	–	–	–	(24)	(38)	**(62)**
Net reclassification to held for sale	(26)	(66)	–	(526)	–	**(618)**
Translation of foreign operations	(74)	(386)	(3)	(3 366)	(94)	**(3 923)**
Disposal of businesses	–	–	–	(1)	–	**(1)**
Disposals and scrapping	(1)	(22)	–	(1 145)	(297)	**(1 465)**
Balance at 30 June 2009	**1 075**	**6 859**	**1 263**	**107 329**	**13 034**	**129 560**
Accumulated depreciation and impairment						
Balance at beginning of year	253	3 352	222	48 417	5 009	**57 253**
Current year charge	1	306	59	4 782	911	**6 059**
Impairment of property, plant and equipment	4	5	–	285	–	**294**
Reclassification of property, plant and equipment	–	–	–	(7)	7	**–**
Transfer from other intangible assets	–	–	–	(2)	–	**(2)**
Transfer to inventories	–	–	–	–	(19)	**(19)**
Net reclassification to held for sale	(5)	(65)	–	(526)	–	**(596)**
Translation of foreign operations	(29)	(261)	(1)	(2 193)	(25)	**(2 509)**
Disposal of businesses	–	–	–	(1)	–	**(1)**
Disposals and scrapping	–	(20)	–	(981)	(288)	**(1 289)**
Balance at 30 June 2009	**224**	**3 317**	**280**	**49 774**	**5 595**	**59 190**
Carrying value at 30 June 2009	**851**	**3 542**	**983**	**57 555**	**7 439**	**70 370**
Carrying value at 30 June 2008	632	3 594	962	55 691	5 394	**66 273**

As the group has more than five items of land and buildings, a register is maintained in terms of paragraph 22(3) of Schedule 4 of the South African Companies Act. The register is available for inspection at the registered office of Sasol Limited.

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm
3 *Property, plant and equipment continued*			
Additions to property, plant and equipment (cash flow)			
To enhance existing operations	**1 980**	1 768	1 149
current year additions	**2 223**	1 712	1 225
adjustments for non-cash items			
movement in environmental provisions capitalised	**(243)**	56	(76)
To expand operations	**519**	399	395
Per the statement of cash flows	**2 499**	2 167	1 544
Additional disclosures			
Leased assets			
Carrying value of capitalised leased assets (included in plant, equipment and vehicles)	**932**	845	856
cost	**1 267**	1 228	1 207
accumulated depreciation	**(335)**	(383)	(351)
Finance lease additions included in additions above	**94**	55	77
Replacement information			
Estimated replacement cost of property, plant and equipment	**393 139**	343 602	274 352
Cost of assets not replaceable	**2 902**	2 845	2 608
Cost price of fully depreciated and fully impaired assets still in use	**12 064**	17 005	13 419
Carrying value of assets committed as security for debt (refer note 18)	**10 961**	12 966	11 216
Depreciation rates			
Buildings and improvements	**2 – 5%**		
Retail convenience centres	**3 – 5%**		
Plant	**4 – 25%**		
Equipment	**10 – 33%**		
Vehicles	**20 – 33%**		
Mineral assets	**Life of related reserve base**		

The estimation of the useful lives of property, plant and equipment is based on historic performance as well as expectations about future use and therefore requires a significant degree of judgement to be applied by management. These depreciation rates represent management's current best estimate of the useful lives of the assets.

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

3 *Property, plant and equipment continued*

Capital commitments

Capital commitments, excluding capitalised interest, include all projects for which specific board approval has been obtained up to the reporting date. Projects still under investigation for which specific board approvals have not yet been obtained are excluded from the following:

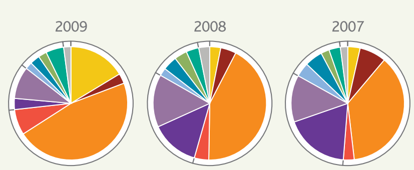
	2009 Rm	2008 Rm	2007 Rm
Authorised and contracted for	**22 354**	24 258	28 367
Authorised but not yet contracted for	**16 898**	17 662	11 697
Less expenditure to the end of year	**(14 127)**	(16 967)	(21 527)
	25 125	24 953	18 537
to enhance existing operations	**10 296**	8 567	8 822
to expand operations	**14 829**	16 386	9 715
Comprising			
Subsidiary companies	**24 547**	21 755	14 409
Proportionate share of joint ventures	**578**	3 198	4 128
as per joint venture disclosure		675	
Escravos GTL (EGTL)*		2 523	
	25 125	24 953	18 537

* *Relates to the capital commitments of Sasol's 37,5% interest in EGTL that was classified as an asset held for sale during 2008. During 2009, the interest in EGTL has been reduced to 10% and the remaining capital commitments have been disclosed as part of the investments in associates note (refer note 8).*

Estimated expenditure	2009 Rm	2008 Rm	2007 Rm
Within one year	**13 894**	16 973	12 671
One to two years	**8 862**	5 382	4 105
Two to three years	**2 285**	1 861	1 095
Three to four years	**84**	353	291
Four to five years	**–**	169	136
More than five years	**–**	215	239
	25 125	24 953	18 537

Business segmentation

	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**18 402**	13 575	9 501
Mining	**4 107**	781	654
Gas	**724**	1 110	1 410
Synfuels	**11 732**	10 656	6 864
Oil	**1 839**	1 028	573
International energy cluster	**3 105**	7 198	5 902
Synfuels International	**798**	3 448	3 414
Petroleum International	**2 307**	3 750	2 488
Chemical cluster	**3 099**	3 398	2 747
Polymers	**504**	559	753
Solvents	**706**	1 021	946
Olefins & Surfactants	**604**	912	443
Other	**1 285**	906	605
Other businesses	**519**	782	387
Total operations	**25 125**	24 953	18 537

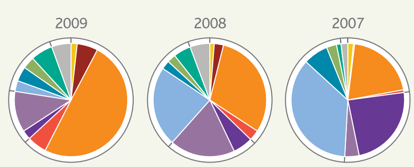


for the year ended 30 June		2009 Rm	2008 Rm	2007 Rm
3 *Property, plant and equipment continued*				
Significant commitments at 30 June 2009 include:				
Project	**Business unit**			
Mozambique natural gas pipeline	Gas	**382**	889	1 133
Power generation with open cycle turbines	Synfuels	**1 154**	2 321	2 003
Gas heat exchange reformers	Synfuels	**1 070**	1 259	1 292
Steam turbines at steam plant	Synfuels	**862**	–	–
16th Oxygen train	Synfuels	**707**	1 140	–
Improvement of Synthol total feed processors	Synfuels	**640**	–	–
Additional gasifiers in gas production	Synfuels	**396**	–	–
Oxygen ESD replacement	Synfuels	**357**	472	271
Ash lock refurbishment	Synfuels	**354**	–	–
Water recovery growth	Synfuels	**345**	–	–
10th SAS reactor	Synfuels	**227**	431	491
Refurbishment of the utility cooling water towers	Synfuels	**249**	–	–
Electrical infrastructure expansion	Synfuels	**244**	405	140
Project Turbo	Synfuels	**448**	338	418
Combined waste heat boilers	Synfuels	**226**	271	–
Air heaters	Synfuels	**281**	268	–
Secunda-Natref pipeline	Oil	**572**	–	–
Alterations to dispatch loading area	Oil	**187**	240	47
3rd Catalyst plant in Sasolburg, South Africa	Synfuels International	**593**	690	–
Mozambique development	Petroleum International	**1 848**	3 359	1 988
2nd Maleic Anhydride train	Solvents	**363**	488	–
Infrachem laboratory	Infrachem	**239**	224	8
Other projects	Various	**13 381**	12 158	10 746
		25 125	24 953	18 537

Funding

Capital expenditure will be financed from funds generated out of normal business operations, existing borrowing facilities and specific project financing.

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
4 *Assets under construction*				
Cost				
Balance at beginning of year		**11 693**	24 611	23 176
Acquisition of businesses	55	**–**	(16)	–
Disposal of businesses	56	**–**	–	(1)
Additions		**12 981**	8 886	10 475
to enhance existing operations		**5 665**	4 023	3 918
to expand operations		**7 316**	4 863	6 557
Finance expenses capitalised	40	**34**	1 580	981
Impairment of assets under construction	42	**(19)**	(371)	–
Write off of unsuccessful exploration wells	42	**(16)**		
Reversal of fair value write-down of disposal group held for sale		**–**	–	134
Transfer to inventories		**(2)**	–	(248)
Reclassification of Escravos GTL to held for sale	12	**–**	(7 235)	–
Net reclassification from held for sale		**–**	–	757
Projects capitalised		**(9 655)**	(16 809)	(10 218)
property, plant and equipment	3	**(9 347)**	(16 698)	(10 121)
intangible assets	6	**(308)**	(111)	(97)
Translation of foreign operations	47	**88**	1 066	(349)
Disposals and scrapping		**(608)**	(19)	(96)
Balance at end of year		**14 496**	11 693	24 611
Comprising				
Property, plant and equipment under construction		**13 085**	10 618	24 123
Other intangible assets under construction		**90**	164	42
Exploration assets		**1 321**	911	446
		14 496	11 693	24 611
Business segmentation				
South African energy cluster		**9 152**	4 350	5 626
Mining		**254**	147	396
Gas		**862**	308	82
Synfuels		**7 224**	3 550	4 959
Oil		**812**	345	189
International energy cluster		**2 078**	2 845	6 894
Synfuels International		**382**	664	5 890
Petroleum International		**1 696**	2 181	1 004
Chemical cluster		**2 464**	3 836	11 620
Polymers		**444**	2 675	8 844
Solvents		**607**	291	1 749
Olefins & Surfactants		**501**	287	703
Other		**912**	583	324
Other businesses		**802**	662	471
		14 496	11 693	24 611



2009	Property, plant and equipment under construction Rm	Other intangible assets under construction Rm	Exploration assets Rm	**Total Rm**
4 *Assets under construction continued*				
Cost				
Balance at 30 June 2008	10 618	164	911	**11 693**
Additions	11 829	229	923	**12 981**
to enhance existing operations	5 543	122	–	**5 665**
to expand operations	6 286	107	923	**7 316**
Finance expenses capitalised	34	–	–	**34**
Impairment of assets under construction	(19)	–	–	**(19)**
Write off of unsuccessful exploration wells	–	–	(16)	**(16)**
Transfer to inventories	–	–	(2)	**(2)**
Projects capitalised	(9 347)	(308)	–	**(9 655)**
Translation of foreign operations	88	5	(5)	**88**
Disposals and scrapping	(118)	–	(490)	**(608)**
Balance at 30 June 2009	13 085	90	1 321	**14 496**

	2009 Rm	2008 Rm	2007 Rm
Additions to assets under construction (cash flow)			
To enhance existing operations	**5 684**	3 825	3 933
current year additions	**5 665**	4 023	3 918
adjustments for non-cash items			
cash flow hedge accounting	**19**	(198)	21
environmental provisions capitalised	**–**	–	(6)
To expand operations	**7 363**	4 846	6 546
current year additions	**7 316**	4 863	6 557
adjustments for non-cash items			
cash flow hedge accounting	**47**	(17)	(11)
Per the statement of cash flows	**13 047**	8 671	10 479

The group hedges its exposure in South Africa to foreign currency risk in respect of its significant capital projects. This is done primarily by means of forward exchange contracts. Cash flow hedge accounting is applied to these hedging transactions and accordingly, the effective portion of any gain or loss realised on these contracts is adjusted against the underlying item of assets under construction.

for the year ended 30 June		Note	2009 Rm	2008 Rm	2007 Rm

4 *Assets under construction continued*

Capital expenditure

Significant projects to enhance operations include:

The most significant expenditure to enhance existing operations is at Sasol Synfuels which includes the selective catalytic cracker baseline optimisation programme project amounting to R206 million and the sulphuric acid plant of R134 million (2008 – R280 million). Other projects include mining renewal, refurbishment projects and smaller waste and environment related projects.

Significant projects to expand operations include:

Project	Business unit	2009 Rm	2008 Rm	2007 Rm
Pipeline expansion – 1st compressor	Gas	**532**	–	–
Power generation with open cycle turbines	Synfuels	**1 077**	–	–
16th Oxygen train	Synfuels	**507**	304	–
10th SAS reactor	Synfuels	**316**	–	–
Oryx GTL and Escravos GTL	Synfuels International	**–**	865	2 426
3rd Catalyst plant in Sasolburg, South Africa	Synfuels International	**221**	–	–
2nd Catalyst plant, The Netherlands	Synfuels International	**–**	366	–
Mozambique expansion	Petroleum International	**1 203**	454	266
Petroleum West Africa development	Petroleum International	**429**	235	339
Project Turbo	Polymers	**86**	362	1 169
Arya Sasol Polymers (Iran)	Polymers	**166**	457	774
2nd and 3rd Octene trains	Solvents	**298**	323	708
Fischer-Tropsch Wax expansion project	Wax	**227**	–	–
Other projects	Various	**2 254**	1 480	864
		7 316	4 846	6 546

5 *Goodwill*

	Note	2009 Rm	2008 Rm	2007 Rm
Balance at beginning of year		**874**	586	266
Acquisition of businesses	55	**–**	144	212
Impairment	42	**–**	–	(4)
Reversal of fair value write-down of disposal group		**–**	–	201
Reclassification to held for sale		**–**	–	(94)
Translation of foreign operations	47	**(69)**	144	5
Carrying value at end of year		**805**	874	586
Business segmentation				
Olefins & Surfactants		**222**	250	198
Solvents		**220**	249	194
Wax		**183**	195	81
Nitro		**95**	95	95
Oil		**85**	85	18
Total operations		**805**	874	586

For the purposes of impairment testing, goodwill is allocated to the smallest cash generating unit. Impairment testing in respect of goodwill is performed at each reporting date by comparing the recoverable amount based on value-in-use of the cash generating unit to the carrying amount as described in note 42.

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
6 Other intangible assets				
Cost				
Balance at beginning of year		**2 992**	2 861	2 188
Acquisition of businesses	55	**3**	49	10
Additions		**363**	274	74
to enhance existing operations		**209**	267	70
to expand operations		**154**	7	4
Net transfer from property, plant and equipment	3	**3**	3	6
Assets under construction capitalised	4	**308**	111	97
Transfer from inventories		**–**	1	–
Net reclassification (to)/from held for sale		**(7)**	–	882
Translation of foreign operations	47	**(209)**	315	37
Disposals and scrapping		**(386)**	(622)	(433)
Balance at end of year		**3 067**	2 992	2 861
Comprising				
Software		**1 121**	1 177	1 461
Patents and trademarks		**982**	896	633
Emission rights		**297**	305	59
Other intangible assets		**667**	614	708
		3 067	2 992	2 861
Accumulated amortisation and impairment				
Balance at beginning of year		**2 028**	2 232	1 413
Acquisition of businesses		**–**	(7)	–
Current year charge	35	**186**	192	279
Impairment of assets	42	**137**	3	167
Fair value write-down of disposal group held for sale		**–**	–	18
Net transfer from/(to) property, plant and equipment	3	**2**	(2)	4
Net reclassification (to)/from held for sale		**(7)**	–	593
Translation of foreign operations	47	**(99)**	196	19
Disposals and scrapping		**(248)**	(586)	(261)
Balance at end of year		**1 999**	2 028	2 232
Comprising				
Software		**846**	932	1 197
Patents and trademarks		**705**	738	581
Emission rights		**77**	7	55
Other intangible assets		**371**	351	399
		1 999	2 028	2 232
Carrying value				
Software		**275**	245	264
Patents and trademarks		**277**	158	52
Emission rights		**220**	298	4
Other intangible assets		**296**	263	309
		1 068	964	629

2009	Software Rm	Patents and trademarks Rm	Emission rights Rm	Other intangible assets Rm	**Total Rm**
***6 Other intangible assets** continued*					
Cost					
Balance at 30 June 2008	1 177	896	305	614	**2 992**
Acquisition of businesses	–	–	–	3	**3**
Additions	19	4	236	104	**363**
to enhance existing operations	19	3	183	4	**209**
to expand operations	–	1	53	100	**154**
Net transfer from property, plant and equipment	3	–	–	–	**3**
Assets under construction capitalised	121	187	–	–	**308**
Net reclassification to held for sale	–	–	(7)	–	**(7)**
Translation of foreign operations	(24)	(97)	(34)	(54)	**(209)**
Disposals and scrapping	(175)	(8)	(203)	–	**(386)**
Balance at 30 June 2009	1 121	982	297	667	**3 067**
Accumulated amortisation and impairment					
Balance at 30 June 2008	932	738	7	351	**2 028**
Current year charge	108	28	–	50	**186**
Impairment of assets	–	–	137	–	**137**
Transfer to property, plant and equipment	2	–	–	–	**2**
Net reclassification to held for sale	–	–	(7)	–	**(7)**
Translation of foreign operations	(20)	(56)	7	(30)	**(99)**
Disposals and scrapping	(176)	(5)	(67)	–	**(248)**
Balance at 30 June 2009	**846**	**705**	**77**	**371**	**1 999**
Carrying value at 30 June 2009	**275**	**277**	**220**	**296**	**1 068**
Carrying value at 30 June 2008	245	158	298	263	964

All intangible assets were acquired from third parties.

	2009 Rm	2008 Rm	2007 Rm
Additions to other intangible assets (cash flow)			
To enhance existing operations	**25**	10	18
current year additions	**209**	267	70
adjustments for non-cash item emission rights received	**(184)**	(257)	(52)
To expand operations	**101**	7	4
current year additions	**154**	7	4
adjustments for non-cash item emission rights received	**(53)**	–	–
Per the statement of cash flows	**126**	17	22

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm
6 *Other intangible assets continued*			
Additional disclosures			
Cost price of fully amortised and fully impaired assets still in use	**990**	1 045	998
Amortisation rates			
Software	**17 – 33%**		
Patents and trademarks	**20%**		
Emission rights are not subject to amortisation and are reviewed for impairment at each reporting date.			
The estimation of the useful lives of other intangible assets is based on historic performance as well as expectations about future use and therefore requires a significant degree of judgement to be applied by management. These rates represent management's best estimate of the useful lives of these assets.			
Estimated future aggregate amortisation			
Within one year	**195**	167	172
One to two years	**147**	113	130
Two to three years	**124**	83	87
Three to four years	**88**	65	62
Four to five years	**170**	38	39
More than five years	**124**	200	135
	848	666	625
Assets not subject to amortisation (emission rights)	**220**	298	4
	1 068	964	629
Business segmentation of emission rights			
Olefins & Surfactants	**136**	212	
Solvents	**41**	69	
Wax	**9**	14	
Financing	**31**	–	
Merisol	**3**	3	
	220	298	

The recoverable amount of emission rights is determined based on the quoted related market price thereof. Emission rights can be utilised over indefinite future years as there are no limitations placed thereon.

Capital commitments

Capital commitments include all projects for which specific board approval has been obtained at the reporting date. Projects still under investigation for which specific board approvals have not yet been obtained are excluded from the following:

	2009 Rm	2008 Rm	2007 Rm
Authorised and contracted for	**138**	199	49
Authorised but not yet contracted for	**140**	60	23
Less expenditure to the end of year	**(94)**	(164)	(34)
	184	95	38

These capital commitments are in respect of subsidiary companies only.

Funding
Capital expenditure will be financed from funds generated out of normal business operations, existing borrowing facilities and specific project financing.

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm

7 *Investments in securities*

Investments available-for-sale	7.1	**264**	288	230
long-term investments		**187**	210	160
short-term investment*		**77**	78	70
Investments held-to-maturity	7.2	**387**	347	312
Investments in securities per statement of financial position		**651**	635	542
long-term portion		**574**	557	472
short-term portion		**77**	78	70

* *Since 2006, sEnergy Insurance Limited suspended its underwriting activities and is currently in the process of discharging its liabilities and settling all claims in full. The company will be liquidated. It is expected that Sasol's initial investment in the company will be repaid within the next year, once this process had been completed.*

As the group has more than five investments, a register is maintained in terms of paragraph 27 of Schedule 4 of the South African Companies Act. The register is available for inspection at the registered office of Sasol Limited.

7.1 Investments available-for-sale

	Note	2009 Rm	2008 Rm	2007 Rm
At cost				
Balance at beginning of year		**288**	230	226
Investments purchased		**9**	6	7
Investments sold		**(7)**	–	–
Impairment of investments	42	**(8)**	–	(9)
Revaluation to fair value		**–**	(1)	–
Disposal of businesses		**7**	–	–
Transfer to investments in associates		**–**	(1)	–
Translation of foreign operations	47	**(25)**	54	6
Balance at end of year		**264**	288	230

Fair value of investments available-for-sale

The fair value of the unlisted equity investments cannot be determined as there are no market price information available on these investments. According to management's valuation, these investments are carried at their original cost less impairment in the statement of financial position.

Name	Country of incorporation	Nature of business	Interest %	2009 Rm	2008 Rm	2007 Rm
Investments available-for-sale						
Aetylen Rohrleitungsgesellschaft GmbH & Co KG	Germany	Pipeline business	20	**157**	185	143
sEnergy Insurance Limited	Bermuda	Insurance	6	**77**	78	70
Other			various	**30**	25	17
				264	288	230

Except for the investment in sEnergy Insurance Limited, the unlisted investments represent strategic investments of the group and are long-term in nature as management has no intention of disposing of these investments in the foreseeable future.

for the year ended 30 June	**2009 Rm**	2008 Rm	2007 Rm
***7 Investments in securities** continued*			
7.2 Investments held-to-maturity			
At amortised cost			
Balance at beginning of year	**347**	312	240
Reinvestment of funds	**40**	35	72
Balance at end of year	**387**	347	312

Fair value of investments held-to-maturity

The fair value of investments held-to-maturity is determined using a discounted cash flow method using market related rates at 30 June. The market related rates used to discount estimated cash flows were between 11,5% and 11,8% (2008 – 10,0% and 10,1%).

	Carrying value 2009 Rm	**Fair value 2009 Rm**
Investments held-to-maturity	**387**	**387**

At 30 June, the group's investments held-to-maturity and their carrying values were

Name	Country of incorporation	Nature of business	**Interest rate at 30 June 2009**	**2009 Rm**	2008 Rm	2007 Rm
Investments held-to-maturity						
Long-term fixed deposits with fixed interest and fixed or determinable maturity dates	South Africa	Investment*	**11,5 – 11,8%**	**387**	347	312

* *The long-term fixed deposits are restricted in use as they are held in a separate trust to be used exclusively for rehabilitation purposes at Sasol Mining.*

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
8 *Investments in associates*				
Balance at beginning of year		**830**	692	636
Acquisition of associates		**1 310**	1	5
Additional investments and loans advanced		**524**	–	–
Share of (loss)/profit of associates, net of dividends received		**(210)**	105	52
Effect of translation of foreign operations		**(284)**	32	(1)
Balance at end of year		**2 170**	830	692
Comprising				
Investments at cost		**1 742**	271	238
Loan relating to associate*		**363**	–	–
Share of post-acquisition reserves		**65**	559	454
		2 170	830	692

* *Relates primarily to amount due from partner in Escravos GTL project and is considered fully recoverable.*

Estimated fair value of investments in associates		**6 050**	3 790	3 145
Dividends received from associates	52	**480**	235	247
Key financial information of associates*				
Non-current assets		**29 616**	4 010	3 447
Property, plant and equipment		**3 452**	3 703	3 396
Assets under construction		**26 020**	–	–
Other non-current assets		**144**	307	51
Current assets		**4 931**	2 967	2 861
Total assets		**34 547**	6 977	6 308
Shareholders' equity		**12 551**	4 779	4 085
Long-term debt (interest bearing)		**109**	399	640
Long-term provisions		**2**	2	2
Other non-current liabilities		**19 595**	821	742
Interest bearing current liabilities		**1 248**	620	652
Non-interest bearing current liabilities		**1 042**	356	187
Total equity and liabilities		**34 547**	6 977	6 308
Total turnover		**7 496**	5 913	6 378
Operating profit		**3 139**	2 802	3 458
Finance income		**3**	2	1
Finance expenses		**(50)**	(61)	(77)
Profit before tax		**3 092**	2 743	3 382
Taxation		**(794)**	(651)	(205)
Profit		**2 298**	2 092	3 177

* *The financial information provided represents the full results of the associates.*

In 2009, an amount of R2 468 million has been committed by the group for further development of the Escravos GTL project. Refer to note 3 for capital commitments relating to 2008.

8 Investments in associates continued

At 30 June, the group's associates, interest in those associates and the total carrying value were

Name	Country of incorporation	Nature of business	Interest %	Carrying value 2009 Rm	2008 Rm	2007 Rm
Escravos GTL (EGTL)*	Nigeria	GTL plant	10	**1 507**	–	–
Optimal Olefins Malaysia Sdn Bhd**	Malaysia	Ethane and propane gas cracker	12	**484**	686	568
Wesco China Ltd	Hong Kong	Trading and distribution of plastics raw materials	40	**128**	127	111
Other			various	**51**	17	13
				2 170	830	692

* *The 10% interest retained by Sasol in the EGTL project has been recognised as an investment in an associate at its fair value at the date of disposal (refer note 12). Although the group holds less than 20% of the voting power of EGTL, the group exercises significant influence as a member of Sasol's senior management serves on the executive committee of the project and Sasol is responsible for providing essential technical support to the project.*

** *Although the group holds less than 20% of the voting power of Optimal Olefins Malaysia Sdn Bhd, the group exercises significant influence as a member of Sasol's senior management serves on the board of directors of the company.*

Associates whose financial year ends are within three months of 30 June are included in the consolidated financial statements using their most recently audited financial results. Adjustments are made to the associates' financial results for material transactions and events in the intervening period.

None of the group's investments in associates are publicly traded and therefore no quoted market prices are available. Therefore, the fair value of investments in associates is determined using a discounted cash flow method using market related rates at 30 June.

There are no significant restrictions on the ability of the associates to transfer funds to Sasol Limited in the form of cash dividends or repayment of loans or advances.

	2009 Rm	2008 Rm	2007 Rm
9 Post-retirement benefit assets			
Post-retirement benefit assets	**716**	571	363

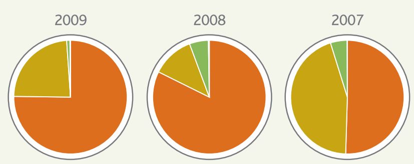
For further details of post-retirement benefit assets, refer note 21.

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm

10 *Long-term receivables and prepaid expenses*

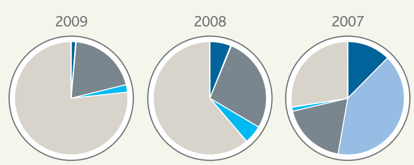
	Note	2009 Rm	2008 Rm	2007 Rm
Total long-term receivables		**1 835**	1 499	1 579
Short-term portion	15	**(412)**	(167)	(13)
		1 423	1 332	1 566
Long-term prepaid expenses		**33**	53	19
		1 456	1 385	1 585
Comprising				
Long-term joint venture receivables (interest bearing)		**1 060**	868	574
Long-term interest-bearing loans		**318**	353	300
Long-term interest-free loans		**45**	111	692
		1 423	1 332	1 566
Maturity profile				
Within one year		**412**	167	13
One to two years		**13**	12	260
Two to three years		**8**	324	342
Three to four years		**8**	282	9
Four to five years		**350**	285	14
More than five years		**1 044**	429	941
		1 835	1 499	1 579

Currency analysis



	2009 Rm	2008 Rm	2007 Rm
Euro	**1 380**	1 234	797
US dollar	**435**	180	706
Rand	**17**	81	75
Other currencies	**3**	4	1
	1 835	1 499	1 579

Geographic segmentation



	2009 Rm	2008 Rm	2007 Rm
South Africa	**23**	90	196
Rest of Africa	**3**	3	637
Europe	**362**	409	293
North America	**39**	79	18
Southeast Asia and Australasia	**–**	1	1
Middle East and India	**1 406**	916	433
Far East	**2**	1	1
	1 835	1 499	1 579

for the year ended 30 June	**2009 Rm**	2008 Rm	2007 Rm

10 *Long-term receivables and prepaid expenses continued*

Fair value of long-term loans and receivables

The fair value of long-term receivables is determined using a discounted cash flow method using market related rates at 30 June. The fair value of long-term interest bearing receivables approximates the carrying value as market related rates of interest are charged on these outstanding amounts.

The interest-free loans relate primarily to deposits on office rental space in terms of various operating lease agreements and an amount due from the tax and revenue services to one of our subsidiaries in Italy. These amounts were considered to be recoverable as at 30 June 2009.

	2009 Rm	2008 Rm	2007 Rm
Fair value of long-term receivables	**1 835**	1 499	1 579

Impairment of long-term loans and receivables

Long-term loans and receivables that are not past the due date are not considered to be impaired, except in situations where they are part of individually impaired long-term loans and receivables.

Collateral

The group holds no collateral over the long-term receivables.

11 *Long-term financial assets*

	2009 Rm	2008 Rm	2007 Rm
Forward exchange contracts	**14**	11	8
Cross currency swaps	**–**	665	243
Interest rate derivatives	**1**	13	45
Arising on long-term derivative financial instruments	**15**	689	296
used for cash flow hedging	**1**	13	67
held for trading	**14**	676	229

Long-term financial assets include the revaluation of in-the-money long-term derivative instruments, refer pages 187 to 200.

Fair value of derivative financial instruments

The fair value of derivatives was based upon market valuations.

Forward exchange contracts and cross currency swaps

The fair value gains were determined by recalculating the daily forward rates for each currency using a forward rate interpolator model. The net market value of all forward exchange contracts and cross currency swaps at year end was calculated by comparing the forward exchange contracted rates to the equivalent year end market foreign exchange rates. The present value of these net market values were then determined using the appropriate currency specific discount curve.

Interest rate derivatives

The fair value of interest rate derivatives were determined by reference to quoted market prices for similar instruments.

current assets

at 30 June	Note	2009 Rm	2008 Rm	2007 Rm
Investments in securities	7	**77**	78	70
Assets held for sale	12	**86**	3 833	334
Inventories	13	**14 589**	20 088	14 399
Trade receivables	14	**15 176**	22 838	14 733
Other receivables and prepaid expenses	15	**1 864**	2 407	2 184
Short-term financial assets	16	**520**	330	22
Cash restricted for use	17	**1 247**	814	646
Cash	17	**19 425**	4 435	5 987
		52 984	54 823	38 375

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

12 Disposal groups held for sale

Assets held for sale			
Sasol Italy Crotone	**86**	–	–
Escravos GTL	**–**	3 833	–
Sasol Dyno Nobel (Pty) Limited	**–**	–	146
Paramelt RMC BV	**–**	–	121
FFS Refiners (Pty) Limited	**–**	–	39
African Amines (Pty) Limited	**–**	–	21
Cirebelle business	**–**	–	7
	86	3 833	334
Liabilities in disposal groups held for sale			
Sasol Italy Crotone	**(65)**	–	–
Escravos GTL	**–**	(142)	–
Sasol Dyno Nobel (Pty) Limited	**–**	–	(32)
African Amines (Pty) Limited	**–**	–	(3)
	(65)	(142)	(35)

12.1 Olefins & Surfactants (Sasol O&S)

During 2009, as part of the Sasol O&S restructuring programme announced in March 2007, Sasol decided to dispose of its investment in the inorganic business situated at the Crotone, Italy site. As a result, Sasol entered into negotiations with a potential buyer interested in acquiring the business as a going concern. Based on management's estimate of fair value to be obtained from the sale, the net assets have been impaired by R16 million to their fair value less costs to sell.

12 Disposal groups held for sale *continued*

12.2 Escravos GTL (EGTL)

During 2008, Sasol decided in principle that it would not continue with its current 37,5% participation in the EGTL project. As a result, Sasol entered into negotiations with Chevron Nigeria Limited to reduce its interest from 37,5% to 10%. Based on management's estimate of fair value to be obtained from the sale, the EGTL net assets were impaired by R362 million to their fair value less costs to sell in 2008.

Consequently, EGTL was no longer proportionally consolidated as a joint venture and the assets were classified as a disposal group held for sale. On 24 December 2008, Sasol reduced its interest in EGTL from 37,5% to 10%. The 10% interest retained by Sasol has been recognised as an investment in an associate at its fair value at the date of the disposal plus additional investments and loans advanced to the associate (refer note 8).

for the year ended 30 June	2008 Rm
Net assets transferred to assets held for sale	
Non-current assets	7 940
Assets under construction	7 235
Long-term receivables	705
Current assets	1 420
Inventories	226
Trade receivables	1
Other receivables and prepaid expenses	421
Cash restricted for use	772
EGTL assets transferred to assets held for sale	9 360
Non-current liabilities	(4 985)
Long-term provisions	97
Long-term deferred income	(3 820)
Deferred tax liabilities	(1 262)
Current liabilities	(684)
Trade payables and accrued expenses	(525)
Other payables	(159)
EGTL liabilities transferred to assets held for sale	(5 669)
	3 691
EGTL assets held for sale consists of the following	
Total investment in EGTL project	3 833
27,5% interest in EGTL project to be disposed	2 811
10,0% interest in EGTL project to be retained	1 022
Deferred tax liability	(142)
	3 691

12.3 Sasol Dyno Nobel (Pty) Limited

Following the acquisition in September 2006, of the remaining 40% of Sasol Dyno Nobel (Pty) Limited in South Africa, Sasol Nitro entered into negotiations to sell 50% of this entity to form a joint venture. On 17 September 2007, Sasol Nitro disposed of 50% of its investment and realised a profit of R114 million.

12.4 Paramelt RMC BV

On 10 July 2007, Sasol Wax disposed of its investment in Paramelt RMC BV in the Netherlands, realising a profit of R129 million.

12.5 FFS Refiners (Pty) Limited

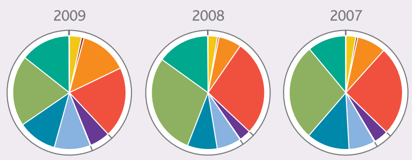
In August 2007, Sasol Investment Company (Pty) Limited disposed of its investment in FFS Refiners (Pty) Limited in South Africa and realised a profit of R108 million.

12.6 African Amines (Pty) Limited

On 13 November 2007, Sasol Chemical Industries Limited disposed of its joint venture investment in African Amines (Pty) Limited in South Africa and realised a loss of R3 million.

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
13 Inventories				
Carrying value				
Crude oil and other raw materials		**2 978**	5 755	3 226
Process material		**1 482**	1 153	993
Maintenance materials		**2 649**	1 905	1 476
Work in process		**364**	473	429
Manufactured products		**6 978**	10 539	8 116
Consignment inventory		**138**	263	159
		14 589	20 088	14 399
Inventories carried at net realisable value				
(taken into account in the carrying value of inventories above)				
Crude oil and other raw materials		**51**	35	20
Process material		**189**	230	55
Maintenance materials		**20**	17	58
Manufactured products		**1 880**	860	616
		2 140	1 142	749
Write-down of inventories to net realisable value				
Crude oil and other raw materials		**321**	2	1
Process material		**29**	10	24
Maintenance materials		**–**	1	1
Manufactured products		**615**	92	45
Income statement charge	35	**965**	105	71
Inventory obsolescence				
(taken into account in the carrying value of inventories above)				
Balance at beginning of year		**337**	322	171
Raised during year		**192**	132	65
Utilised during year		**(115)**	(124)	(2)
Released during year		**(14)**	(22)	(9)
Transfer from held for sale		**–**	–	94
Translation of foreign operations		**(12)**	29	3
Balance at end of year		**388**	337	322

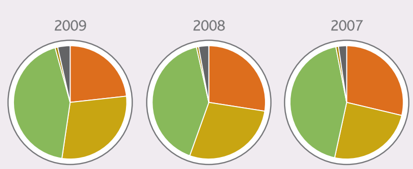
for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm
13 *Inventories continued*			
Business segmentation			
South African energy cluster	**5 548**	7 433	5 365
Mining	**508**	539	412
Gas	**104**	93	79
Synfuels	**1 997**	1 303	1 190
Oil	**2 939**	5 498	3 684
International energy cluster	**866**	694	621
Synfuels International	**847**	666	593
Petroleum International	**19**	28	28
Chemical cluster	**8 155**	11 942	8 403
Polymers	**1 510**	1 394	1 084
Solvents	**1 628**	1 711	1 767
Olefins & Surfactants	**2 936**	5 824	3 966
Other	**2 081**	3 013	1 586
Other businesses	**20**	19	10
Total operations	**14 589**	20 088	14 399
Inventories to sale of products (%)	**10,7%**	15,6%	14,9%
Inventories to cost of sales and services rendered (%)	**16,5%**	26,9%	24,0%



The impact of lower crude oil prices as well as prices of other energy and chemical products has had a direct impact on the carrying value of inventory, affecting mainly the Sasol Oil business unit and the chemical businesses. These decreases resulted in a net realisable value write-down of R965 million in 2009 (2008 – R105 million).

No inventories are encumbered.

	2009 Rm	2008 Rm	2007 Rm
14 *Trade receivables*			
Trade receivables	**12 052**	18 864	12 076
Related party receivables	**705**	952	484
third parties	**549**	664	238
joint ventures	**156**	288	246
Impairment of trade receivables	**(258)**	(144)	(118)
Receivables	**12 499**	19 672	12 442
Duties recoverable from customers	**1 972**	1 826	1 625
Value added tax	**705**	1 340	666
	15 176	22 838	14 733
Trade receivables to turnover (%)	**11,0%**	17,6%	15,0%
Currency analysis			
Euro	**2 906**	5 406	3 572
US dollar	**3 635**	5 506	3 074
Rand	**5 423**	8 069	5 414
Pound sterling	**94**	123	94
Other currencies	**441**	568	288
	12 499	19 672	12 442



for the year ended 30 June	Note	**2009 Rm**	2008 Rm	2007 Rm

14 *Trade receivables continued*

	Note	2009 Rm	2008 Rm	2007 Rm
Impairment of trade receivables				
Balance at beginning of year		**(144)**	(118)	(166)
Raised during year	36	**(198)**	(60)	(46)
Utilised during year		**25**	14	45
Released during year	36	**41**	33	60
Net reclassification from held for sale		**–**	–	(10)
Translation of foreign operations		**18**	(13)	(1)
Balance at end of year		**(258)**	(144)	(118)

	Carrying value 2009 Rm	**Impairment 2009 Rm**	Carrying value 2008 Rm	Impairment 2008 Rm
Age analysis of trade receivables				
Not past due date	**10 833**	**14**	17 084	18
Past due 0 – 30 days	**658**	**3**	1 414	12
Past due 31 – 150 days	**281**	**76**	248	16
Past due 151 days – 1 year	**186**	**96**	28	21
More than 1 year*	**94**	**69**	90	77
	12 052	**258**	18 864	144

* *More than 1 year relates to long outstanding balances for specific customers who have exceeded the contractual repayment terms.*

Renegotiated terms

The repayment terms of trade receivables to the value of R250 million at 30 June 2009 (2008 – Nil) has been renegotiated to assist the relevant parties in managing their short-term liquidity.

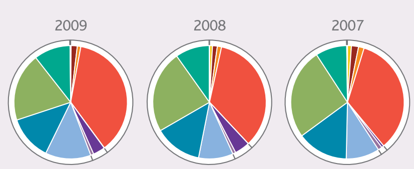
Impairment of trade receivables

Trade receivables that are not past the due date are not considered to be impaired, except in situations where they are part of individually impaired trade receivables. The individually impaired trade receivables mainly relate to certain customers who are trading in difficult economic circumstances.

No individual customer represents more than 10% of the group's trade receivables.

Credit risk exposure in respect of trade receivables is analysed as follows

for the year ended 30 June	**2009 Rm**	2008 Rm	2007 Rm
Business segmentation			
South African energy cluster	**6 062**	8 688	5 744
Mining	**18**	192	165
Gas	**268**	316	299
Synfuels	**152**	273	235
Oil	**5 615**	7 902	5 045
Other	**9**	5	–
International energy cluster	**651**	1 188	268
Synfuels International	**519**	992	99
Petroleum International	**132**	196	169
Chemical cluster	**8 435**	12 948	8 690
Polymers	**1 973**	2 254	1 407
Solvents	**1 925**	3 094	2 145
Olefins & Surfactants	**2 962**	5 371	3 818
Other	**1 575**	2 229	1 320
Other businesses	**28**	14	31
Total operations	**15 176**	22 838	14 733



for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm

14 Trade receivables *continued*

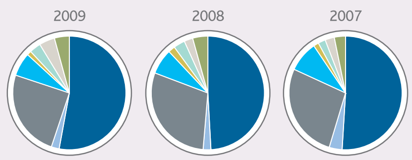
Fair value of receivables

The carrying value approximates fair value because of the short period to maturity of these instruments.

Security

No trade receivables have been committed as security for debt.

Geographic segmentation of trade receivables



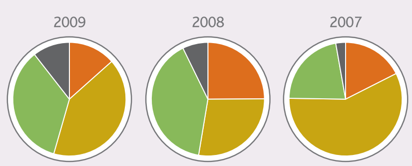
	Note	2009 Rm	2008 Rm	2007 Rm
South Africa		**8 028**	11 221	7 510
Rest of Africa		**343**	507	545
Europe		**3 780**	6 709	4 001
North America		**1 019**	1 653	1 284
South America		**187**	446	219
South-East Asia and Australasia		**495**	745	311
Middle East and India		**678**	569	391
Far East		**646**	988	472
		15 176	22 838	14 733

15 Other receivables and prepaid expenses

	Note	2009 Rm	2008 Rm	2007 Rm
Fuel related receivables*		**–**	550	38
Insurance related receivables		**211**	300	608
Capital projects related receivables		**32**	63	82
Employee related receivables		**43**	48	34
Other receivables		**621**	954	1 242
		907	1 915	2 004
Short-term portion of long-term receivables	10	**412**	167	13
Other receivables		**1 319**	2 082	2 017
Prepaid expenses		**545**	325	167
		1 864	2 407	2 184

* *Relates to the underrecovery by Sasol Oil on regulated fuel prices, which will be recovered by future increases in the regulated fuel price.*

Currency analysis

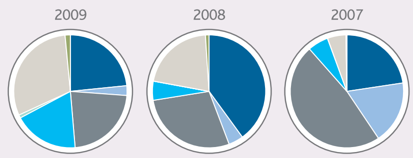


	Note	2009 Rm	2008 Rm	2007 Rm
Euro		**122**	477	352
US dollar		**372**	531	1 156
Rand		**317**	768	440
Other currencies		**96**	139	56
		907	1 915	2 004

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

15 *Other receivables and prepaid expenses* continued

Geographic segmentation of other receivables and prepaid expenses



	2009 Rm	2008 Rm	2007 Rm
South Africa	**436**	963	494
Rest of Africa	**52**	102	393
Europe	**419**	679	1 046
North America	**346**	131	129
South America	**–**	–	–
South-East Asia and Australasia	**17**	1	1
Middle East and India	**566**	506	115
Far East	**28**	25	6
	1 864	2 407	2 184

Fair value of other receivables

The carrying value approximates fair value because of the short period to maturity.

16 *Short-term financial assets*

	2009 Rm	2008 Rm	2007 Rm
Forward exchange contracts	**82**	262	13
Cross currency swaps	**438**	–	–
Interest rate derivatives	**–**	37	8
Commodity derivatives	**–**	31	1
Arising on short-term derivative financial instruments	**520**	330	22
used for cash flow hedging	**13**	276	19
held for trading	**507**	54	3

Short-term financial assets include the revaluation of in-the-money derivative instruments, refer pages 187 to 200.

Fair value of derivative financial instruments

The fair value of derivatives was based upon market valuations.

Forward exchange contracts and cross currency swaps

The fair value gains were determined by recalculating the daily forward rates for each currency using a forward rate interpolator model. The net market value of all forward exchange contracts and cross currency swaps at year end was calculated by comparing the forward exchange contracted rates to the equivalent year end market foreign exchange rates. The present value of these net market values were then determined using the appropriate currency specific discount curve.

Interest rate and commodity derivatives

The fair value of interest rate and commodity derivatives were determined by reference to quoted market prices for similar instruments.

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

17 *Cash and cash equivalents*

Cash restricted for use	**1 247**	814	646
Cash	**19 425**	4 435	5 987
Bank overdraft	**(80)**	(914)	(545)
Per the statement of cash flows	**20 592**	4 335	6 088

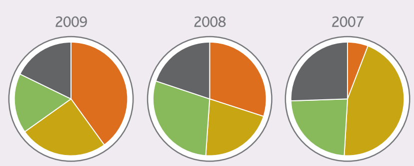
Cash restricted for use

In trust	**470**	241	15
In joint ventures	**242**	204	289
In cell captive insurance companies	**166**	162	143
Held as collateral	**78**	96	101
Other	**291**	111	98
	1 247	814	646

Included in cash restricted for use:

- Cash held in trust of R470 million (2008 – R241 million; 2007 – R15 million) is restricted for use and is being held in escrow to fund statutory obligations for mining rehabilitation which is in progress;
- Cash held in joint ventures can only be utilised by the joint venture to fund the business as set out in the joint venture agreement;
- Cell captive insurance company funds of R166 million (2008 – R162 million; 2007 – R143 million) to which the group has restricted title. The funds are restricted solely to be utilised for insurance purposes;
- Cash deposits of R78 million (2008 – R96 million; 2007 – R101 million) serving as collateral for bank guarantees; and
- Other cash restricted for use include customer foreign currency accounts to be used for the construction of reactors where the contractor pays in advance. The cash can be utilised only for these designated reactor supply projects.

Currency analysis



Euro	**499**	244	38
US dollar	**314**	172	291
Rand	**212**	236	152
Other currencies	**222**	162	165
	1 247	814	646

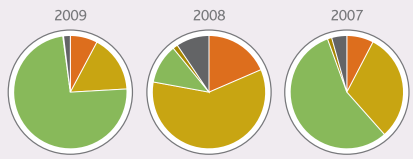
Cash

Cash on hand and in bank	**4 580**	2 945	2 635
Foreign currency accounts	**293**	705	143
Short-term deposits	**14 552**	785	3 209
	19 425	4 435	5 987

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

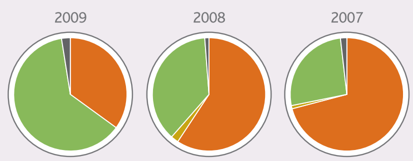
17 *Cash and cash equivalents continued*

Currency analysis



Euro	**1 512**	821	458
US dollar	**3 169**	2 633	1 844
Rand	**14 328**	499	3 353
Pound sterling	**44**	63	73
Other currencies	**372**	419	259
	19 425	4 435	5 987
Bank overdraft	**(80)**	(914)	(545)

Currency analysis



Euro	**(28)**	(542)	(390)
US dollar	**–**	(20)	(3)
Rand	**(50)**	(341)	(145)
Other currencies	**(2)**	(11)	(7)
	(80)	(914)	(545)

Fair value of cash and cash equivalents

The carrying value of cash and cash equivalents approximates fair value due to the short-term maturity.

non-current liabilities

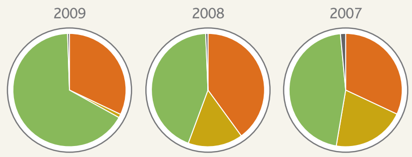
at 30 June	Note	2009 Rm	2008 Rm	2007 Rm
Long-term debt	18	**13 615**	15 682	13 359
Long-term financial liabilities	19	**143**	37	53
Long-term provisions	20	**5 729**	4 491	3 668
Post-retirement benefit obligations	21	**4 454**	4 578	3 781
Long-term deferred income	22	**297**	376	2 765
Deferred tax liabilities	23	**9 168**	8 446	8 304
		33 406	33 610	31 930

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
18 Long-term debt				
Total long-term debt		**17 887**	16 803	16 434
Short-term portion	24	**(4 272)**	(1 121)	(3 075)
		13 615	15 682	13 359
Analysis of long-term debt				
At amortised cost				
Secured debt		**3 973**	7 469	7 300
Preference shares		**6 730**	2 215	–
Finance leases		**795**	753	767
Unsecured debt		**6 444**	6 461	8 458
Unamortised loan costs		**(55)**	(95)	(91)
		17 887	16 803	16 434
Reconciliation				
Balance at beginning of year		**16 803**	16 434	16 015
Acquisition of businesses	55	**–**	257	–
Loans raised		**5 575**	3 806	1 021
Loans repaid		**(4 820)**	(4 588)	(1 034)
Amortisation of loan costs		**21**	19	38
Effect of cash flow hedge accounting		**–**	1	–
Disposal of businesses	56	**–**	–	303
Net reclassification from held for sale		**–**	–	29
Translation effect of foreign currency loans		**135**	356	(54)
Translation of foreign operations	47	**173**	518	116
Balance at end of year		**17 887**	16 803	16 434

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

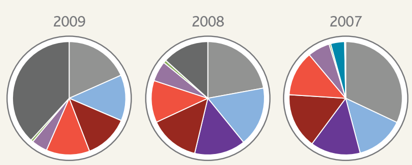
18 Long-term debt *continued*

Currency analysis



	2009 Rm	2008 Rm	2007 Rm
Euro	**5 733**	6 723	5 252
US dollar	**180**	2 638	3 404
Rand	**11 878**	7 346	7 534
Other currencies	**96**	96	244
	17 887	16 803	16 434
Interest bearing status			
Interest bearing debt	**17 244**	16 166	15 834
Non-interest bearing debt	**643**	637	600
	17 887	16 803	16 434
Maturity profile			
Within one year	**4 272**	1 121	3 075
One to two years	**911**	4 816	1 553
Two to three years	**1 181**	1 392	4 398
Three to four years	**1 106**	1 450	1 276
Four to five years	**1 172**	1 429	1 256
More than five years	**9 245**	6 595	4 876
	17 887	16 803	16 434
Related party long-term debt included in long-term debt			
Third parties	**215**	134	107
Joint ventures	**33**	803	460
	248	937	567

Business segmentation



	2009 Rm	2008 Rm	2007 Rm
Financing	**3 282**	3 715	5 261
Polymers	**2 341**	2 861	2 278
Synfuels International	**3**	2 454	2 346
Gas	**2 271**	2 410	2 606
Oil	**2 221**	2 012	2 120
Petroleum International	**811**	972	1 043
Olefins & Surfactants	**120**	140	77
Solvents	**–**	1	654
Other	**6 838**	2 238	49
	17 887	16 803	16 434

Fair value of long-term debt

The fair value of long-term debt is based on the quoted market price for the same or similar instruments or on the current rates available for debt with the same maturity profile and with similar cash flows. Market related rates ranging between 2% and 11,2% were used to discount estimated cash flows based on the underlying currency of the debt.

	2009 Rm	2008 Rm	2007 Rm
Total long-term debt (before unamortised loan costs)	**16 273**	16 672	16 170

18 Long-term debt *continued*

In terms of Sasol Limited's Articles of Association the group's borrowing powers are limited to twice the sum of its share capital and reserves (2009 – R168 billion, 2008 – R153 billion and 2007 – R123 billion).

Terms of repayment	Security	Business	Currency	Interest rate at 30 June 2009	**2009 Rm**	2008 Rm	2007 Rm
Secured debt							
Repayable in semi-annual instalments ending between June 2015 and December 2017	Secured by plant and intangible assets with a book value of R3 620 million (2008 – R2 946 million)	Gas (Rompco)	Rand	Jibar + 0,4% to 2,5%	**1 608**	1 844	2 042
Repayable in semi-annual instalments ending between 2012 and 2016	Secured by plant and intangible assets with a book value of R4 667 million (2008 – R3 870 million)	Polymers (Arya)	Euro and US dollar	Euribor + 0,5%; Libor + 0,5%; and Fixed 2,3%	**1 398**	2 008	1 718
Repayable in semi-annual instalments ending June 2015	Secured by plant and equipment with a book value of R2 746 million (2008 – R1 301 million)	Petroleum International	Euro and Rand	Jibar + 1,15% to 2,5% and Euribor + 2,5%	**831**	1 001	1 077
Repayable in quarterly instalments ending December 2012	Secured by a mortgage over property, plant and equipment with a book value of R134 million (2008 – R126 million)	O&S (Yihai)	US dollar and Chinese renminbi	Variable 1.7% and Fixed 5,8% to 6,5%	**113**	126	58
Repayable in March 2014	Secured by the shares in the company borrowing the funds	Oil (Petromoc)	US dollar	Variable 17,9%	**10**	13	11
Other secured debt		Various	Various	Various	**13**	15	2
Settled during the financial year					**–**	2 462	2 392
					3 973	7 469	7 300

Terms of repayment	Security	Business	Currency	Interest rate at 30 June 2009	2009 Rm	2008 Rm	2007 Rm
18 ***Long-term debt*** *continued*							
Preference shares							
A preference shares repayable in semi-annual instalments between October 2011 and October 2018[1]	Secured by Sasol preferred ordinary shares held by the company	Other (Inzalo)	Rand	Fixed 10,2% to 11,2%	**2 475**	901	
B preference shares repayable October 2018[2]	Secured by Sasol preferred ordinary shares held by the company	Other (Inzalo)	Rand	Fixed 12,1% to 13,5%	**1 152**	363	
C preference shares repayable October 2018[3]	Secured by guarantee from Sasol Limited	Other (Inzalo)	Rand	Variable 8%	**3 103**	951	
					6 730	2 215	
Finance leases							
Repayable in monthly instalments over 10 to 30 years ending 2033	Secured by plant and equipment with a book value of R761 million (2008 – R743 million)	Oil	Rand	Variable 8,3% to 19,3%	**737**	726	720
Other smaller finance leases	Underlying assets	Various	Various	Various	**58**	10	17
Settled during the financial year					**–**	17	30
					795	753	767
Total secured debt					**11 498**	10 437	8 067

Terms of repayment	Business	Currency	Interest rate at 30 June 2009	2009 Rm	2008 Rm	2007 Rm
18 Long-term debt *continued*						
Unsecured debt						
Repayable on maturity in June 2010	Financing	Euro	Fixed 3,375%	**3 249**	3 694	2 850
Repayable in semi-annual instalments ending December 2017	Oil	Rand	Variable 8,15%	**1 089**	919	699
Repayable in semi-annual instalments ending December 2015	Polymers (Arya)	Euro	Euribor + 3,0%	**917**	784	450
Loan from iGas (non-controlling shareholder) in Republic of Mozambique Pipeline Investments Company (Pty) Limited. No fixed repayment terms	Gas (Rompco)	Rand	–	**300**	300	300
Loan from CMG (non-controlling shareholder) in Republic of Mozambique Pipeline Investments Company (Pty) Limited. No fixed repayment terms	Gas (Rompco)	Rand	–	**300**	300	300
Loan from CEF (non-controlling shareholder) in Republic of Mozambique Pipeline Investments Company (Pty) Limited. Repayable by June 2012	Gas (Rompco)	Rand	Jibar + 4%	**100**	–	–
Repayable in semi-annual instalments ending January 2014	Oil	Rand	Fixed 11,55%	**161**	205	249
No fixed repayment terms	Oil	Rand	Fixed 8,0%	**215**	135	107
Repayable in equal semi-annual instalments over 6,5 years until February 2010	Polymers (Petlin)	US dollar	Variable 5,1% to 5,6%	**27**	51	70
No fixed repayment terms	Merisol	US dollar	Variable 5,5%	**33**	19	10
Other unsecured debt	Various	Various	Various	**53**	54	24
Settled during the financial year	Various	Various	Various	**–**	–	3 399
Total unsecured debt				**6 444**	6 461	8 458
Total long-term debt				**17 942**	16 898	16 525
Unamortised loan costs (amortised over period of debt using effective interest rate method)				**(55)**	(95)	(91)
				17 887	16 803	16 434
Repayable within one year included in short-term debt (refer note 24)				**(4 272)**	(1 121)	(3 075)
				13 615	15 682	13 359

Long-term debt raised and repaid during year

1. *A preference shares debt of R1 530 million (2008 – R900 million) raised within special purpose entities as part of the Sasol Inzalo share transaction (refer note 46). During the year, R7 million was repaid in respect of the capital portion related to these preference shares. Dividends on these preference shares are payable in semi-annual instalments ending October 2018. It is required that 50% of the debt be repaid between October 2011 and October 2018, with the balance of the debt repayable at that date. The A Preference shares are secured by a first right over the Sasol preferred ordinary shares held by the special purpose entities. It therefore has no direct recourse against Sasol Limited. The Sasol preferred ordinary shares held may not be disposed of or encumbered in any way.*

2. *B preference shares debt of R765 million (2008 – R363 million) raised within special purpose entities as part of the Sasol Inzalo share transaction. Dividends on these preference shares are payable in semi-annual instalments ending October 2018. The principal amount is repayable on maturity during October 2018. The B Preference shares are secured by a second right over the Sasol preferred ordinary shares held by the special purpose entities. It therefore has no direct recourse against Sasol Limited.*

3. *C preference shares debt of R1 900 million (2008 – R950 million) raised within special purpose entities as part of the Sasol Inzalo share transaction. Dividends and the principal amount on these preference shares are payable on maturity during October 2018. The C Preference shares are secured by a guarantee from Sasol Limited.*

18 Long-term debt *continued*

	Expiry date	Currency	Rand equivalent Rm	Utilisation Rm
Banking facilities and debt arrangements at 30 June 2009				
Sasol Financing				
Uncommitted facilities				
Commercial banking facilities	Various (short-term)	Rand	4 575	–
Commercial paper programme	None	Rand	6 000	–
Committed facility				
Revolving credit facility (syndicated)	May 2010	Euro	2 168	–
Commercial banking facilities	Various (short-term)	Rand	3 800	–
Sasol Financing International				
Uncommitted facilities				
Commercial banking facilities	Various (short-term)	Euro	162	–
Committed facility				
Revolving credit facility	May 2010	Euro	2 093	–
Debt arrangement				
Eurobond	June 2010	Euro	3 249	3 249
Other Sasol businesses				
Asset based finance				
Republic of Mozambique Pipeline Investments Company (Pty) Limited	December 2017	Rand	2 471	2 271
Sasol Petroleum Temane Limitada	June 2015	Euro and Rand	811	811
Debt arrangements				
Arya Sasol Polymer Company	March 2016	Euro	2 366	2 315
National Petroleum Refiners of South Africa (Pty) Limited	Various	Rand	1 342	1 250
Sasol Inzalo Groups Funding (Pty) Limited (preference shares)	October 2011 to October 2018	Rand	2 341	2 341
Sasol Inzalo Public Funding (Pty) Limited (preference shares)	October 2011 to October 2018	Rand	4 389	4 389
Property finance leases				
Sasol Oil (Pty) Limited and subsidiaries	Various	Rand	737	737
Other banking facilities and debt arrangements	Various	Various	1 286	1 094
			37 790	18 457
Comprising				
Long-term debt				17 887
Short-term debt				490
Bank overdraft (refer note 17)				80
				18 457

Financial covenants

The group is in compliance with its debt covenants, none of which are expected to represent material restrictions on funding or investment policies in the foreseeable future.

for the year ended 30 June	Note	**2009 Rm**	2008 Rm	2007 Rm
19 *Long-term financial liabilities*				
Financial guarantees recognised		**37**	53	56
Forward exchange contracts recognised		**110**	–	–
Less amortisation of financial guarantees	38	**(3)**	(9)	(3)
		144	44	53
Less short-term portion of financial guarantees		**(1)**	(7)	–
Arising on long-term financial instruments		**143**	37	53

In terms of the sale of 25% in Sasol Oil (Pty) Limited to Tshwarisano LFB Investment (Pty) Limited during 2007, facilitation for the financing requirements has been provided. A financial liability for the fair value of this guarantee, amounting to R39 million was recognised. This liability is being amortised over the period of the guarantee using the effective interest rate method.

In terms of the sale of 25% in Republic of Mozambique Pipeline Investments Company (Pty) Limited to Companhia de Moçambicana de Gasoduto during 2007, facilitation for the financing requirements has been provided. A financial liability for the fair value of this guarantee, amounting to R17 million was recognised. This liability is being amortised over the period of the guarantee using the effective interest rate method.

Fair value of long-term financial guarantees

The fair value of long-term financial guarantees were calculated based on the present value of future principal and interest cash flows of the related debt, discounted at the market rate of interest at the reporting date, consistent with the method of calculation at the inception of the guarantee. These interest rates used range between 13,16% – 13,29%.

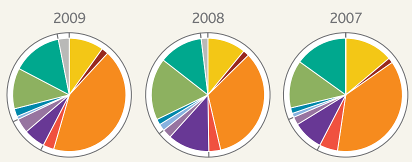
Fair value of forward exchange contracts

The fair value of forward exchange contracts was calculated by comparing the forward exchange contracted rates to the equivalent year end market foreign exchange rates. The present value of these net market values were then calculated using the appropriate currency specific discount curve.

Fair value of financial liabilities		**139**	43	53

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
20 *Long-term provisions*				
Balance at beginning of year		**5 614**	4 568	3 929
Capitalised in property, plant and equipment and assets under construction		**243**	(56)	82
Operating income charge		**1 377**	880	352
increase for year		**1 216**	1 268	850
reversal of unutilised amounts		**(277)**	(65)	(89)
effect of change in discount rate		**438**	(323)	(409)
Notional interest	40	**374**	307	263
Utilised during year (cash flow)		**(537)**	(522)	(789)
Reclassification (to)/from held for sale		**(25)**	97	706
Translation of foreign operations	47	**(140)**	340	25
Balance at end of year		**6 906**	5 614	4 568
Less short-term portion	26	**(1 177)**	(1 123)	(900)
Long-term provisions		**5 729**	4 491	3 668
Comprising				
Environmental		**4 819**	3 460	3 355
Other		**2 087**	2 154	1 213
provision against guarantees		**1 104**	874	502
restructuring costs		**50**	346	176
share appreciation rights		**243**	212	4
long-term supply obligation		**142**	135	135
other		**548**	587	396
		6 906	5 614	4 568

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm
20 *Long-term provisions* *continued*			
Business segmentation			
South African energy cluster	**3 299**	2 235	2 112
Mining	**567**	491	508
Gas	**112**	77	53
Synfuels	**2 441**	1 515	1 359
Oil	**179**	152	192
International energy cluster	**591**	652	402
Synfuels International	**352**	535	318
Petroleum International	**239**	117	84
Chemical cluster	**1 661**	1 518	1 153
Polymers	**50**	87	42
Solvents	**130**	73	59
Olefins & Surfactants	**666**	794	500
Other	**815**	564	552
Other businesses	**178**	86	1
Total operations	**5 729**	4 491	3 668
Expected timing of future cash-flows			
Within one year	**1 177**	1 123	900
One to two years	**370**	604	549
Two to three years	**688**	560	245
Three to four years	**552**	338	282
Four to five years	**261**	185	116
More than five years	**3 858**	2 804	2 476
	6 906	5 614	4 568
Estimated undiscounted obligation	**22 965**	17 342	16 222



Representing the estimated actual cash flows in the period in which the obligation is settled.

In accordance with the group's published environmental policy and applicable legislation, a provision for rehabilitation is recognised when the obligation arises.

The environmental obligation includes estimated costs for the rehabilitation of coal mining, oil, gas and petrochemical sites. The amount provided is calculated based on currently available facts and applicable legislation.

The determination of long-term provisions, in particular environmental provisions, remain a key area where management's judgement is required. Estimating the future cost of these obligations is complex and requires management to make estimates and judgements because most of the obligations will only be fulfilled in the future and contracts and laws are often not clear regarding what is required. The resulting provisions could also be influenced by changing technologies and political, environmental, safety, business and statutory considerations.

It is envisaged that, based on the current information available, any additional liability in excess of the amounts provided will not have a material adverse effect on the group's financial position, liquidity or cash flow.

for the year ended 30 June	2009 %	2008 %	2007 %

20 *Long-term provision continued*

The following risk-free rates were used to discount the estimated cash flows based on the underlying currency and time duration of the obligation.

South Africa	**7,4 to 8,9**	9,8 to 12,9	7,5 to 9.2
Europe	**1,2 to 4,2**	5,0 to 5,4	4,2 to 4,5
United States of America	**0,8 to 4,2**	3,4 to 5,2	5,0 to 5,4

A 1% change in the discount rate would have the following effect on the long-term provisions recognised

	2009 Rm	2008 Rm	2007 Rm
Increase in the discount rate	**(467)**	(363)	(404)
amount capitalised to property, plant and equipment	**(125)**	(60)	(98)
amount recognised in income statement	**(342)**	(303)	(306)
Decrease in the discount rate	**590**	468	450
amount capitalised to property, plant and equipment	**102**	109	84
amount recognised in income statement	**488**	359	366

	Environmental 2009 Rm	Other 2009 Rm	Total 2009 Rm
Balance at beginning of year	3 460	2 154	5 614
Capitalised in property, plant and equipment	243	–	243
Operating income charge	1 089	288	1 377
increase for year	815	401	1 216
reversal of unutilised amounts	(120)	(157)	(277)
effect of change in discount rate	394	44	438
Notional interest	317	57	374
Utilised during year (cash flow)	(181)	(356)	(537)
Reclassification to held for sale	(16)	(9)	(25)
Translation of foreign operations	(93)	(47)	(140)
Balance at end of year	4 819	2 087	6 906

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm

21 *Post-retirement benefit obligations*

Post-retirement healthcare benefits	21.1	**2 315**	2 246	2 027
Pension benefits	21.2	**2 199**	2 444	1 797
Total post-retirement benefit obligations		**4 514**	4 690	3 824
Less short-term portion				
post-retirement healthcare benefits	26	**(16)**	(24)	(24)
pension benefits	26	**(44)**	(88)	(19)
		4 454	4 578	3 781

21 Post-retirement benefit obligations *continued*

21.1 Post-retirement healthcare benefits

The group provides post-retirement healthcare benefits to certain of its retirees, principally in South Africa and the United States of America. The method of accounting and the frequency of valuations for determining the liability are similar to those used for defined benefit pension plans.

South Africa

The post-retirement benefit plan provides certain healthcare and life assurance benefits to South African employees hired prior to 1 January 1998, who retire and satisfy the necessary requirements of the medical fund. Generally, medical coverage provides for a specified percentage of most medical expenses, subject to preset rules and maximum amounts. The cost of providing these contributions is shared with the retirees. The plan is unfunded. The accumulated post-retirement benefit obligation is accrued over the employee's working life until full eligibility age.

United States of America

Certain other healthcare and life assurance benefits are provided for personnel employed in the United States of America. Generally, medical coverage pays a specified percentage of most medical expenses, subject to preset maximum amounts and reduced for payments made by healthcare provider, Medicare. The cost of providing these benefits is shared with the retirees. The plan is also unfunded.

for the year ended 30 June	South Africa	United States of America
Last actuarial valuation	31 March 2009	30 June 2009
Full/interim valuation	Full	Full
Valuation method adopted	Projected unit credit	Projected unit credit

Principal actuarial assumptions

Weighted average assumptions used in performing actuarial valuation determined in consultation with independent actuaries.

	South Africa		United States of America	
at valuation date	**2009 %**	2008 %	**2009 %**	2008 %
Healthcare cost inflation				
Initial	**7,9**	8,3	**7,0***	7,0
Ultimate	**7,9**	8,3	**5,5**	5,5
Discount rate	**8,9**	9,3	**6,0**	6,0

* *The healthcare cost inflation rate in respect of the plans for the United States of America is capped. All future increases due to the healthcare cost inflation will be borne by the participants.*

Reconciliation of projected benefit obligation to the amount recognised in the statement of financial position

	South Africa		United States of America		Total	
for the year ended 30 June	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm
Projected benefit obligation	**2 387**	2 181	**145**	357	**2 532**	2 538
Unrecognised past service cost	**–**	–	**(1)**	(2)	**(1)**	(2)
Unrecognised actuarial losses	**(205)**	(218)	**(11)**	(72)	**(216)**	(290)
Total post-retirement healthcare obligation	**2 182**	1 963	**133**	283	**2 315**	2 246
Less short-term portion	**–**	–	**(16)**	(24)	**(16)**	(24)
Non-current post-retirement healthcare obligation	**2 182**	1 963	**117**	259	**2 299**	2 222

21 *Post-retirement benefit obligations continued*

21.1 Post-retirement healthcare benefits continued

Reconciliation of the total post-retirement healthcare obligation recognised in the statement of financial position

	South Africa		United States of America		Total	
for the year ended 30 June	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm
Total post-retirement healthcare obligation at beginning of year	**1 963**	1 773	**283**	254	**2 246**	2 027
Service cost	**75**	68	**7**	5	**82**	73
Interest cost	**199**	160	**24**	21	**223**	181
Recognised actuarial losses	**–**	3	**4**	7	**4**	10
Past service cost recognised	**–**	–	**–**	(5)	**–**	(5)
Benefits paid	**(52)**	(41)	**(28)**	(25)	**(80)**	(66)
Translation of foreign operations	**–**	–	**21**	26	**21**	26
Curtailments and settlements	**(3)**	–	**(178)**	–	**(181)**	–
Total post-retirement healthcare obligation at end of year	**2 182**	1 963	**133**	283	**2 315**	2 246

Reconciliation of projected benefit obligation

	South Africa		United States of America		Total	
for the year ended 30 June	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm
Projected benefit obligations at beginning of year	**2 181**	2 040	**357**	343	**2 538**	2 383
Service cost	**75**	68	**7**	5	**82**	73
Interest cost	**199**	160	**24**	21	**223**	181
Actuarial gains	**(13)**	(46)	**(59)**	(24)	**(72)**	(70)
Benefits paid	**(52)**	(41)	**(28)**	(25)	**(80)**	(66)
Translation of foreign operations	**–**	–	**31**	37	**31**	37
Curtailments and settlements	**(3)**	–	**(187)**	–	**(190)**	–
Projected benefit obligation at end of year	**2 387**	2 181	**145**	357	**2 532**	2 538

Net post-retirement healthcare costs recognised in the income statement

	South Africa		United States of America		Total	
for the year ended 30 June	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm
Service cost	**75**	68	**7**	5	**82**	73
Interest cost	**199**	160	**24**	21	**223**	181
Recognised net actuarial losses	**–**	3	**4**	7	**4**	10
Past service cost	**–**	–	**–**	(5)	**–**	(5)
Curtailments and settlements	**(3)**	–	**(178)**	–	**(181)**	–
Net periodic benefit cost	**271**	231	**(143)**	28	**128**	259

21 Post-retirement benefit obligations *continued*

21.1 Post-retirement healthcare benefits continued

Sensitivity analysis

Assumed healthcare cost trend rates have a significant effect on the amounts reported for the post-retirement healthcare benefits. A one percentage-point change in assumed healthcare cost trend rates could increase or decrease the relevant amount to:

	South Africa		United States of America	
	% point increase Rm	% point decrease Rm	**% point increase Rm**	% point decrease Rm
2009				
Total service and finance expense components	**338**	231	**31***	31*
Accumulated post-retirement benefit obligations	**2 871**	2 016	**145***	145*
2008				
Total service and finance expense components	286	197	28	24
Accumulated post-retirement benefit obligations	2 712	1 920	380	331

* *A change in the healthcare cost inflation for the United States of America will not have an effect on the above components or the obligation as the employer's cost is capped and all future increases due to the healthcare cost inflation are borne by the participants. The effect shown is the current year charge for the service and interest cost and the current year projected benefit obligation.*

Non-current post-retirement healthcare obligation per statement of financial position

for the year ended 30 June	**2009 Rm**	2008 Rm	2007 Rm	2006 Rm	2005 Rm
Projected benefit obligation	**2 532**	2 538	2 383	1 728	1 802
Unrecognised past service cost	**(1)**	(2)	3	–	17
Unrecognised actuarial losses	**(216)**	(290)	(359)	(112)	(47)
Total post-retirement healthcare obligation	**2 315**	2 246	2 027	1 616	1 772
Less short-term portion	**(16)**	(24)	(24)	–	(31)
Non-current post-retirement healthcare obligation	**2 299**	2 222	2 003	1 616	1 741

21.2 Pension benefits

The group operates or contributes to defined benefit pension plans and defined contribution plans in the countries in which it operates.

Contributions by the group and in some cases the employees are made for funds set up in South Africa and the United States of America whilst no contributions are made for plans established in other geographic areas.

Provisions for pension obligations are established for benefits payable in the form of retirement, disability and surviving dependent pensions. The benefits offered vary according to the legal, fiscal and economic conditions of each country.

South African operations

Background

Sasol contributes to a pension fund which provides defined post-retirement and death benefits based on final pensionable salary at retirement. Prior to 1 April 1994, this pension fund was open to all employees of the group in South Africa. In 1994, all members were given the choice to voluntarily transfer to the newly established defined contribution section of the pension fund and approximately 99% of contributing members chose to transfer to the defined contribution section. At that date the calculated actuarial surplus of approximately R1 250 million was apportioned to pensioners, members transferring to the defined contribution section and a R200 million balance was allocated within the pension fund to an employer's reserve.

The assets of the Sasol Pension Fund (the Fund) are held separately from those of the company in a trustee administered fund, registered in terms of the South African Pension Funds Act, 1956. Included in the Fund assets are 2 095 208 Sasol Limited shares valued at R566 million at year end (2008 – 2 095 208 shares at R966 million) purchased under terms of an approved investment strategy.

21 *Post-retirement benefit obligations* continued

21.2 **Pension benefits** continued

Contributions

The annual pension charge is determined in consultation with the pension fund's independent actuary and is calculated using assumptions consistent with those used at the last actuarial valuation of the pension fund. The pension fund assets have been valued at fair value.

The prepayment of R147 million (2008 – R176 million) in the statement of financial position represents the accumulated excess of the actual contributions paid to the pension fund in excess of the accumulated pension liability and the surplus that arose prior to 31 December 2002, to which the company is entitled in terms of the Surplus Apportionment Scheme as well as the rules of the fund.

Limitation of asset recognition

In December 2001, the Pension Funds Second Amendment Act was promulgated. The Act generally provides for the payment of enhanced benefits to former members, minimum pension increases for pensioners and the apportionment of any actuarial surplus existing in the Fund, at the apportionment date, in an equitable manner between existing members including pensioners, former members and the employer in such proportions as the trustees of the Fund shall determine.

In terms of the Pension Funds Second Amendment Act 2001, the Fund undertook a surplus apportionment exercise as at December 2002. The surplus apportionment exercise, and the 31 December 2002 statutory valuation of the Fund, was approved by the Financial Services Board on 26 September 2006. Payments of benefits to former members in terms of the surplus apportionment scheme have been substantially completed and an amount of R103 million (2008 – R102 million) has been set aside for members that have not claimed their benefits.

Based on the latest actuarial valuation of the fund and the approval of the trustees of the surplus allocation, the company has an unconditional entitlement to only the funds in the employer surplus account and the contribution reserve. The estimated surplus due to the company amounted to approximately R147 million as at 31 March 2009 and has been included in the pension asset recognised in the current year.

Membership

A significant number of employees are covered by union sponsored, collectively bargained, and in some cases, multi employer defined contribution pension plans. Information from the administrators of these plans offering defined benefits is not sufficient to permit the company to determine its share, if any, of any unfunded vested benefits.

The group occupies certain properties owned by the Sasol Pension Fund. The fair value of investment properties owned by the Sasol Pension Fund is R2 828 million as at 30 June 2009 (2008 – R2 718 million).

Defined contribution plans

Members of the defined benefit section are required to contribute to the pension fund at the rate of 7,5% of pensionable salary. Sasol meets the balance of the cost of providing benefits. Company contributions are based on the results of the actuarial valuation of the pension fund in terms of South African legislation and are agreed by Sasol Limited and the pension fund trustees.

Contributions, for the defined contributions section, are paid by the members and Sasol at fixed rates. Contributions to the defined contribution fund by the group for the year ended 30 June 2009 amounted to R859 million (2008 – R716 million).

Foreign operations

Pension coverage for employees of the group's international operations is provided through separate plans. The company systematically provides for obligations under such plans by depositing funds with trustees for those plans operating in the United States of America or by creation of accounting obligations for other plans.

21 Post-retirement benefit obligations continued

21.2 Pension benefits continued

Pension fund assets

The assets of the pension funds are invested as follows

	South Africa		United States of America	
at 30 June	**2009 %**	2008 %	**2009 %**	2008 %
Equities				
local	**53**	60	**43**	49
foreign	**8**	7	**15**	18
Fixed interest	**10**	9	**25**	27
Property	**22**	19	**–**	–
Other	**7**	5	**17**	6
Total	**100**	100	**100**	100

Investment strategy

The investment objectives of the group's pension plans are designed to generate returns that will enable the plans to meet their future obligations. The precise amount for which these obligations will be settled depends on future events, including the life expectancy of the plan's members and salary inflation. The obligations are estimated using actuarial assumptions, based on the current economic environment.

The pension plans seek to achieve total returns both sufficient to meet expected future obligations as well as returns greater than their policy benchmark reflecting the target weights of the asset classes used in its targeted strategic asset allocation.

In evaluating the strategic asset allocation choices, an emphasis is placed on the long-term characteristics of each individual asset class, and the benefits of diversification among multiple asset classes. Consideration is also given to the proper long-term level of risk for the plan, particularly with respect to the long-term nature of the plan's liabilities, the impact of asset allocation on investment results, and the corresponding impact on the volatility and magnitude of plan contributions and expense and the impact certain actuarial techniques may have on the plan's recognition of investment experience.

The trustees target the plans' asset allocation within the following ranges within each asset class

	South Africa[1]		United States of America	
Asset classes	**Minimum %**	Maximum %	**Minimum %**	Maximum %
Equities				
local	**50**	60	**25**	75
foreign	**–**	15	**–**	25
Fixed interest	**10**	25	**20**	40
Property	**10**	25	**–**	–
Other	**–**	10	**–**	20

1. Members of the scheme have a choice of four investment portfolios. The targeted allocation disclosed represents the moderate balanced investment portfolio which the majority of the members of the scheme have adopted. The total assets under these investment portfolios are R25 million, R15 112 million, R175 million and R146 million for the low portfolio, moderate portfolio, aggressive portfolio and money market portfolio, respectively. Defined benefit members' funds are invested in the moderate balanced portfolio. The money market portfolio has restricted access to pensioners only.

21 *Post-retirement benefit obligations continued*

21.2 Pension benefits continued

Pension fund assets

The trustees of the respective funds monitor investment performance and portfolio characteristics on a regular basis to ensure that managers are meeting expectations with respect to their investment approach. There are restrictions and controls placed on managers in this regard.

for the year ended 30 June	South Africa	United States of America	Europe
Last actuarial valuation	**31 March 2009**	**30 June 2009**	**30 June 2009**
Full/interim valuation	**Full**	**Full**	**Full**
Valuation method adopted	**Projected unit credit**	**Projected unit credit**	**Projected unit credit**

The plans have been assessed by the actuaries and have been found to be in sound financial positions.

Principal actuarial assumptions

Weighted average assumptions used in performing actuarial valuation determined in consultation with independent actuaries.

			Foreign			
	South Africa		United States of America		Europe	
at valuation date	**2009 %**	2008 %	**2009 %**	2008 %	**2009 %**	2008 %
Discount rate	**8,9**	9,3	**6,3**	6,1	**6,2**	6,0
Expected return on plan assets	**9,8**	9,9	**7,8**	7,8	**6,6**	–
Average salary increases	**7,2**	7,8	**4,1**	3,1	**2,9**	3,0
Average pension increases	**3,7**	4,0	**–**	–	**2,0**	2,1

Assumptions regarding future mortality are based on published statistics and mortality tables.

Reconciliation of the funded status to amounts recognised in the statement of financial position

	South Africa		Foreign		Total	
for the year ended 30 June	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm
Projected benefit obligation (funded obligation)	**5 102**	5 250	**882**	819	**5 984**	6 069
Plan assets	**(5 261)**	(5 838)	**(824)**	(871)	**(6 085)**	(6 709)
Projected benefit obligation (unfunded obligation)	**–**	–	**2 132**	2 453	**2 132**	2 453
Unrecognised actuarial net (losses)/gains	**–**	187	**(560)**	(352)	**(560)**	(165)
Asset not recognised due to asset limitation	**12**	225	**–**	–	**12**	225
Net liability/(asset) recognised	**(147)**	(176)	**1 630**	2 049	**1 483**	1 873
Comprising						
Prepaid pension asset (refer note 9)	**(147)**	(176)	**(569)**	(395)	**(716)**	(571)
Pension benefit obligation	**–**	–	**2 199**	2 444	**2 199**	2 444
Long-term portion	**–**	–	**2 155**	2 356	**2 155**	2 356
Short-term portion	**–**	–	**44**	88	**44**	88
Net liability/(asset) recognised	**(147)**	(176)	**1 630**	2 049	**1 483**	1 873

21 Post-retirement benefit obligations *continued*

21.2 Pension benefits continued

Reconciliation of projected benefit obligation (funded obligation)

for the year ended 30 June	South Africa 2009 Rm	South Africa 2008 Rm	Foreign 2009 Rm	Foreign 2008 Rm	Total 2009 Rm	Total 2008 Rm
Projected benefit obligation at beginning of year	**5 250**	4 754	**819**	778	**6 069**	5 532
Acquisition of businesses	**–**	–	**2**	–	**2**	–
Service cost	**8**	7	**39**	32	**47**	39
Interest cost	**468**	367	**53**	51	**521**	418
Actuarial (gains)/losses	**(882)**	100	**98**	19	**(784)**	119
Member contributions	**3**	3	**–**	–	**3**	3
Benefits paid	**(399)**	(355)	**(93)**	(69)	**(492)**	(424)
Translation of foreign operations	**–**	–	**(23)**	84	**(23)**	84
Curtailments and settlements	**–**	–	**(13)**	(76)	**(13)**	(76)
Transfer from defined contribution plan[1]	**654**	374	**–**	–	**654**	374
Projected benefit obligation at end of year	**5 102**	5 250	**882**	819	**5 984**	6 069

Reconciliation of projected benefit obligation (unfunded obligation)

for the year ended 30 June	Foreign 2009 Rm	Foreign 2008 Rm	Total 2009 Rm	Total 2008 Rm
Projected benefit obligation at beginning of year	**2 453**	2 034	**2 453**	2 034
Acquisition of businesses	**–**	16	**–**	16
Service cost	**67**	74	**67**	74
Interest cost	**143**	103	**143**	103
Actuarial gains	**(105)**	(268)	**(105)**	(268)
Benefits paid	**(125)**	(82)	**(125)**	(82)
Translation of foreign operations	**(295)**	576	**(295)**	576
Reclassification to held for sale	**(6)**	–	**(6)**	–
Projected benefit obligation at end of year	**2 132**	2 453	**2 132**	2 453

Reconciliation of plan assets of funded obligation

for the year ended 30 June	South Africa 2009 Rm	South Africa 2008 Rm	Foreign 2009 Rm	Foreign 2008 Rm	Total 2009 Rm	Total 2008 Rm
Fair value of plan assets at beginning of year	**5 838**	5 381	**871**	842	**6 709**	6 223
Acquisition of businesses	**–**	–	**1**	–	**1**	–
Actual return on plan assets	**(838)**	431	**(213)**	(61)	**(1 051)**	370
Plan participant contributions	**2**	3	**–**	–	**2**	3
Employer contributions	**4**	4	**276**	144	**280**	148
Benefit payments	**(399)**	(355)	**(93)**	(68)	**(492)**	(423)
Translation of foreign operations	**–**	–	**(5)**	90	**(5)**	90
Transfer from defined contribution plan[1]	**654**	374	**–**	–	**654**	374
Curtailments and settlements	**–**	–	**(13)**	(76)	**(13)**	(76)
Fair value of plan assets at end of year	**5 261**	5 838	**824**	871	**6 085**	6 709

1. Amount represents retired employees from the defined contribution section of the plan, who, on retirement, have elected to participate in the defined benefit plan by purchasing a defined benefit pension from the fund.

21 Post-retirement benefit obligations *continued*

21.2 Pension benefits continued

Net periodic pension cost/(gain) recognised in the income statement

	South Africa		Foreign		Total	
	2009 Rm	2008 Rm	**2009 Rm**	2008 Rm	**2009 Rm**	2008 Rm
Service cost	**8**	7	**106**	106	**114**	113
Interest cost	**468**	367	**196**	154	**664**	521
Expected return on plan assets	**(559)**	(458)	**(78)**	(67)	**(637)**	(525)
Recognised actuarial losses	**328**	–	**32**	26	**360**	26
Asset limitation cost	**(213)**	4	**–**	–	**(213)**	4
Curtailments and settlements	**–**	–	**–**	23	**–**	23
Net pension cost/(gain)	**32**	(80)	**256**	242	**288**	162
Actual return on plan assets	**(838)**	431	**(213)**	(61)	**(1 051)**	370

Contributions

Funding is based on actuarially determined contributions. The following table sets forth the projected pension contributions for the 2010 financial year.

	South Africa Rm	**Foreign Rm**
Pension contributions	**9**	**228**

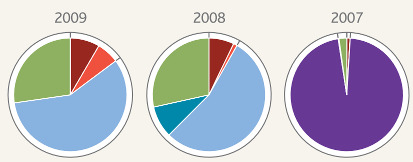
Non-current post-retirement pension obligation per statement of financial position

for the year ended 30 June	**2009 Rm**	2008 Rm	2007 Rm	2006 Rm	2005 Rm
Projected benefit obligation (funded obligation)	**5 984**	6 069	5 532	3 618	3 203
Plan assets	**(6 085)**	(6 709)	(6 223)	(4 663)	(3 849)
Projected benefit obligation (unfunded obligation)	**2 132**	2 453	2 034	1 068	1 489
Unrecognised actuarial net (losses)/gains	**(560)**	(165)	(130)	617	72
Asset not recognised due to asset limitation	**12**	225	221	130	21
Net liability recognised	**1 483**	1 873	1 434	770	936

	Note	2009 Rm	2008 Rm	2007 Rm
22 Long-term deferred income				
Total deferred income		**479**	543	2 809
Short-term portion	27	**(182)**	(167)	(44)
		297	376	2 765

Amounts received in respect of capital investment, to be recognised in income over the useful lives of the underlying assets, as well as emission rights received to be recognised in income as the emissions are generated.

Business segmentation



	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**44**	31	27
Gas	**25**	27	26
Oil	**19**	4	1
International energy cluster	**–**	–	2 671
Synfuels International	**–**	–	2 671
Chemical cluster	**253**	345	67
Polymers	**172**	204	–
Solvents	**–**	34	6
Olefins & Surfactants	**81**	107	61
Total operations	**297**	376	2 765

23 Deferred tax

	Note	2009 Rm	2008 Rm	2007 Rm
Reconciliation				
Balance at beginning of year		**6 993**	7 459	5 465
Acquisition of businesses	55	**–**	(161)	–
Disposal of businesses	56	**–**	(1)	–
Current year charge		**966**	668	1 360
per the income statement	41	**1 067**	608	1 360
per the statement of comprehensive income	44	**(101)**	60	–
Net reclassification from/(to) held for sale		**140**	(1 262)	641
Translation of foreign operations	47	**(115)**	290	(7)
Balance at end of year		**7 984**	6 993	7 459
Comprising				
Deferred tax assets		**(1 184)**	(1 453)	(845)
Deferred tax liabilities		**9 168**	8 446	8 304
		7 984	6 993	7 459

Deferred tax assets and liabilities are determined based on the tax status and rates of the underlying entities.

	2009 Rm	2008 Rm	2007 Rm

23 *Deferred tax continued*

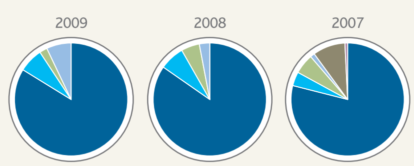
Deferred tax is attributable to the following temporary differences

	2009 Rm	2008 Rm	2007 Rm
Assets			
Property, plant and equipment	**937**	422	354
Short- and long-term provisions	**(760)**	(478)	(276)
Calculated tax losses	**(1 142)**	(1 054)	(810)
Other	**(219)**	(343)	(113)
	(1 184)	(1 453)	(845)
Liabilities			
Property, plant and equipment	**12 147**	10 688	10 352
Intangible assets	**63**	124	128
Current assets	**(295)**	(457)	85
Short- and long-term provisions	**(2 145)**	(1 782)	(1 891)
Calculated tax losses	**(414)**	(493)	(580)
Other	**(188)**	366	210
	9 168	8 446	8 304

Deferred tax assets have been recognised for the carry forward amount of unused tax losses relating to the group's operations where, among other things, taxation losses can be carried forward indefinitely and there is evidence that it is probable that sufficient taxable profits will be available in the future to utilise all tax losses carried forward.

Deferred tax assets are not recognised for carry forward of unused tax losses when it cannot be demonstrated that it is probable that taxable profits will be available against which the deductible temporary difference can be utilised.

Attributable to the following tax jurisdictions



	2009 Rm	2008 Rm	2007 Rm
South Africa	**6 764**	6 038	5 972
United States of America	**560**	505	302
Germany	**179**	374	434
Mozambique	**568**	212	96
Nigeria	**–**	–	701
Italy	**(81)**	(104)	(104)
Other	**(6)**	(32)	58
	7 984	6 993	7 459

Calculated tax losses

	2009 Rm	2008 Rm	2007 Rm
(before applying the applicable tax rate)			
Available for offset against future taxable income	**10 621**	10 762	8 379
Utilised against the deferred tax balance	**(5 156)**	(5 716)	(5 025)
Not recognised as a deferred tax asset	**5 465**	5 046	3 354

Deferred tax assets have been recognised to the extent that it is probable that the entities will generate future taxable income against which these tax losses can be utilised.

A portion of the estimated tax losses available may be subject to various statutory limitations as to its usage.

23 Deferred tax *continued*

	2009 Rm	2008 Rm	2007 Rm
Calculated tax losses carried forward that have not been recognised			
Expiry between one and two years	**787**	668	311
Expiry between two and five years	**823**	1 407	1 293
Expiry thereafter	**3 345**	1 634	984
Indefinite life	**510**	1 337	766
	5 465	5 046	3 354

Unremitted earnings of foreign subsidiaries, foreign associates and foreign incorporated joint ventures

No provision is made for the income tax effect that may arise on the remittance of unremitted earnings by certain foreign subsidiaries, foreign associates and foreign incorporated joint ventures. It is management's intention that, where there is no double taxation relief, these earnings will be permanently re-invested in these entities.

	2009 Rm	2008 Rm	2007 Rm
Unremitted earnings at end of year	**4 201**	12 298	7 238
Europe	**1 225**	9 649	6 217
Rest of Africa	**560**	1 259	632
United States of America	**425**	575	248
Other	**1 991**	815	141
Tax effect if remitted	**165**	212	69
Europe	**115**	147	36
Rest of Africa	**6**	8	6
United States of America	**10**	29	13
Other	**34**	28	14

Secondary Taxation on Companies (STC)

STC is a tax levied on South African companies at a rate of 10,0% (before 1 October 2007 – 12,5%) on dividends distributed.

Current and deferred tax are measured at the tax rate applicable to undistributed income and therefore only take STC into account to the extent that dividends have been received or paid.

On declaration of a dividend, the company includes the STC on this dividend in its computation of the income tax expense in the period of such declaration.

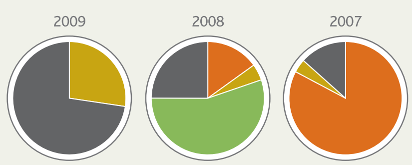
STC is expected to be replaced by a dividend withholding tax during 2011 as announced by the South African Minister of Finance during 2009.

	2009 Rm	2008 Rm	2007 Rm
Undistributed earnings that would be subject to STC	**92 054**	95 395	71 762
Tax effect if distributed	**9 205**	8 672	6 524
Available STC credits at end of year	**87**	39	126

current liabilities

	Note	2009 Rm	2008 Rm	2007 Rm
Liabilities in disposal groups held for sale	12	**65**	142	35
Short-term debt	24	**4 762**	3 496	5 621
Short-term financial liabilities	25	**354**	67	383
Short-term provisions	26	**3 592**	1 951	1 501
Short-term deferred income	27	**464**	376	163
Tax payable	28	**675**	1 522	1 465
Trade payables and accrued expenses	29	**11 464**	14 694	9 376
Other payables	30	**4 759**	4 345	4 777
Bank overdraft	17	**80**	914	545
		26 215	27 507	23 866

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
24 Short-term debt				
Bank loans		**443**	1 944	288
Revolving credit		**–**	358	2 107
Other		**47**	73	151
Short-term debt		**490**	2 375	2 546
Short-term portion of long-term debt	18	**4 272**	1 121	3 075
		4 762	3 496	5 621
Reconciliation				
Balance at beginning of year		**2 375**	2 546	1 727
Loans raised		**280**	1 942	1 918
Loans repaid		**(2 091)**	(2 292)	(1 053)
Translation effect of foreign currency loans		**(52)**	103	(45)
Translation of foreign operations	47	**(22)**	76	(1)
Balance at end of year		**490**	2 375	2 546
Currency analysis				
Euro		**–**	358	2 107
US dollar		**134**	111	98
Rand		**–**	1 313	–
Other currencies		**356**	593	341
		490	2 375	2 546



for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

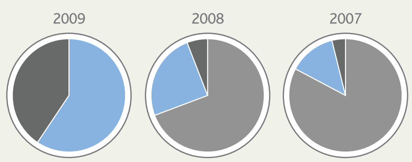
24 Short-term debt *continued*

Interest bearing status

All short-term debt bears interest at market related rates. The weighted average interest rate applicable to short-term debt for the year was approximately 5,29% (2008 – 13,4%).

Security

All short-term debt is unsecured.



Business segmentation

	2009 Rm	2008 Rm	2007 Rm
Financing	–	1 645	2 107
Polymers	**291**	590	341
Other	**199**	140	98
	490	2 375	2 546

Fair value of short-term debt

The carrying value of short-term external debt approximates fair value because of the short period to maturity. The fair value of the short-term portion of long-term debt is disclosed in note 18.

25 Short-term financial liabilities

	2009 Rm	2008 Rm	2007 Rm
Forward exchange contracts	**350**	55	56
Cross currency swaps	–	5	130
Commodity derivatives	**3**	–	197
Short-term portion of financial guarantees	**1**	7	–
Arising on short-term financial instruments	**354**	67	383
used for cash flow hedging	**9**	29	23
held for trading	**345**	38	360

Short-term financial liabilities include the revaluation of out-of-the-money derivative instruments, refer pages 187 to 200.

Fair value of derivative financial instruments

The fair value of derivatives was based upon market valuations.

Forward exchange contracts and cross currency swaps

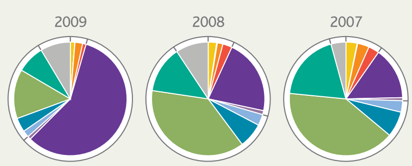
The fair value losses were determined by recalculating the daily forward rates for each currency using a forward rate interpolator model. The net market value of all forward exchange contracts and cross currency swaps at year end were calculated by comparing the forward exchange contracted rates to the equivalent year end market foreign exchange rates. The present values of these net market values were then determined using the appropriate currency specific discount curve.

Commodity derivatives

The fair value of commodity derivatives were determined by reference to quoted market prices for similar instruments.

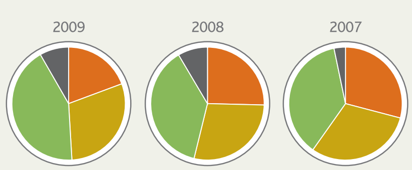
for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
26 Short-term provisions				
Employee provisions	1	**173**	130	42
Insurance related provisions		**238**	119	105
Restructuring provisions		**78**	13	93
Provision in respect of EGTL		**1 280**	–	–
Other provisions		**586**	454	318
		2 355	716	558
Short-term portion of				
long-term provisions	20	**1 177**	1 123	900
post-retirement benefit obligations	21	**60**	112	43
		3 592	1 951	1 501
Reconciliation				
Balance at beginning of year as previously reported		**716**	1 750	1 404
Reclassification of employee provisions		**–**	(1 192)	(1 192)
Restated balance at beginning of year		**716**	558	212
Acquisition of businesses	55	**1**	2	–
Disposal of businesses	56	**1 280**	–	1
Income statement charge and provisions utilised, net*		**446**	15	(13)
Reclassification from held for sale		**–**	–	347
Translation of foreign operations	47	**(88)**	141	11
Balance at end of year		**2 355**	716	558

* *Included in the movement of short-term provisions are changes relating to the increase in emission obligations for the year as well as the utilisation of emission rights in reducing these provisions.*



Business segmentation	Note	2009 Rm	2008 Rm	2007 Rm
South African energy cluster		**161**	134	146
Mining		**46**	47	48
Gas		**1**	4	2
Synfuels		**79**	31	50
Oil		**35**	52	46
International energy cluster		**2 118**	441	237
Synfuels International		**2 085**	419	224
Petroleum International		**33**	22	13
Chemical cluster		**1 004**	1 194	1 054
Polymers		**70**	62	49
Solvents		**144**	139	109
Olefins & Surfactants		**504**	733	608
Other		**286**	260	288
Other businesses		**309**	182	64
Total operations		**3 592**	1 951	1 501

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
27 Short-term deferred income				
Short-term portion of long-term deferred income	22	**182**	167	44
Short-term deferred income		**282**	209	119
	1	**464**	376	163
Short-term deferred income relates mainly to amounts received in respect of the sale of fuel, to be recognised in income when ownership of inventory passes, as well as emission rights received to be recognised in income as the emissions are generated.				
28 Tax paid				
Amounts unpaid at beginning of year		**(1 522)**	(1 465)	(1 899)
Net interest received on tax		**1**	1	7
Penalties paid on tax		**(15)**	(19)	–
Income tax per income statement	41	**(9 413)**	(9 521)	(6 793)
Acquisition of businesses	55	**(1)**	(1)	–
Disposal of businesses	56	**–**	2	2
Reclassification from held for sale		**–**	–	(16)
Translation of foreign operations	47	**23**	(91)	(17)
		(10 927)	(11 094)	(8 716)
Tax payable per statement of financial position		**675**	1 522	1 465
Per the statement of cash flows		**(10 252)**	(9 572)	(7 251)
Comprising				
Normal tax				
South Africa		**(8 802)**	(8 073)	(6 448)
foreign		**(631)**	(875)	(198)
STC		**(819)**	(624)	(605)
		(10 252)	(9 572)	(7 251)
29 Trade payables and accrued expenses				
Trade payables		**5 709**	8 609	5 946
Accrued expenses		**2 440**	2 487	1 423
Related party payables		**1 080**	1 317	273
third parties		**490**	773	191
joint ventures		**590**	544	82
		9 229	12 413	7 642
Duties payable to revenue authorities		**2 044**	1 692	1 381
Value added tax		**191**	589	353
		11 464	14 694	9 376
Trade payables and accrued expenses to cost of sales and services rendered (%)		**13,0%**	19,7%	15,6%
Currency analysis				
Euro		**1 782**	3 152	2 224
US dollar		**2 747**	3 528	2 343
Rand		**3 935**	4 680	2 826
Other currencies		**765**	1 053	249
		9 229	12 413	7 642



for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

29 *Trade payables and accrued expenses* continued

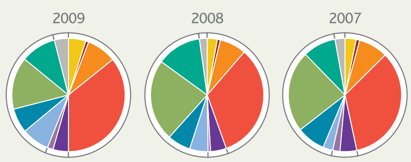
	2009 Rm	2008 Rm	2007 Rm
Age analysis of trade payables			
Not past due date	**4 791**	7 514	
Past due 0 – 30 days	**553**	743	
Past due 31 – 150 days	**292**	296	
Past due 151 days – 1 year	**49**	24	
More than 1 year	**24**	32	
	5 709	8 609	

No individual vendor represents more than 10% of the group's trade payables.

Fair value of trade payables and accrued expenses

The carrying value approximates fair value because of the short period to settlement of these obligations.

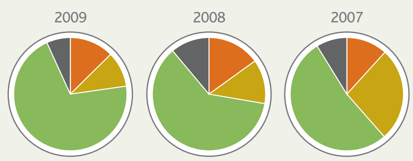
Business segmentation



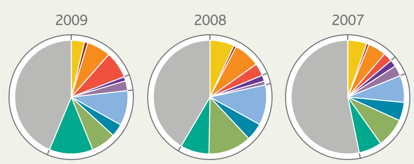
	2009 Rm	2008 Rm	2007 Rm
South African energy cluster	**5 735**	6 545	4 374
Mining	**566**	427	301
Gas	**98**	127	93
Synfuels	**969**	1 113	782
Oil	**4 102**	4 878	3 198
International energy cluster	**692**	767	642
Synfuels International	**503**	661	447
Petroleum International	**189**	106	195
Chemical cluster	**4 575**	7 059	4 095
Polymers	**908**	772	264
Solvents	**802**	973	765
Olefins & Surfactants	**1 711**	3 434	2 180
Other	**1 154**	1 880	886
Other businesses	**462**	323	265
Total operations	**11 464**	14 694	9 376

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
30 *Other payables*				
Capital projects related payables		**1 182**	626	935
Employee related payables		**2 426**	2 590	2 018
Insurance related payables		**198**	380	923
Fuel related payables*		**192**	–	–
Other payables		**761**	749	901
	1	**4 759**	4 345	4 777

* *Relates to the overrecovery by Sasol Oil on regulated fuel prices, which will be settled by future changes in the regulated fuel price.*



Currency analysis			
Euro	**600**	654	561
US dollar	**482**	549	1 279
Rand	**3 354**	2 660	2 517
Other currencies	**323**	482	420
	4 759	4 345	4 777



Business segmentation			
South African energy cluster	**913**	814	662
Mining	**180**	302	261
Gas	**45**	31	32
Synfuels	**324**	327	246
Oil	**364**	154	123
International energy cluster	**190**	122	239
Synfuels International	**57**	75	93
Petroleum International	**133**	47	146
Chemical cluster	**1 576**	1 606	1 332
Polymers	**474**	498	365
Solvents	**173**	217	251
Olefins & Surfactants	**336**	534	402
Other	**593**	357	314
Other businesses	**2 080**	1 803	2 544
Total operations	**4 759**	4 345	4 777

Fair value of other payables

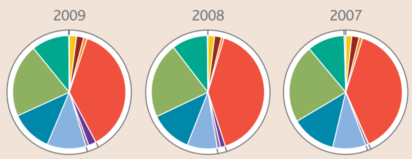
The carrying value approximates fair value because of the short period to maturity.

results of operations

	Note	2009 Rm	2008 Rm	2007 Rm
Turnover	31	**137 836**	129 943	98 127
Cost of sales and services rendered	32	**(88 508)**	(74 634)	(59 997)
Other operating income	33	**1 021**	635	639
Translation (losses)/gains	34	**(166)**	300	(232)
Operating profit	35	**24 666**	33 816	25 621
Financial instruments income/(expenses)	36	**4 131**	(1 436)	423
Auditors' remuneration	37	**(86)**	(83)	(86)
Finance income	38	**1 790**	735	825
Share of profit of associates (net of tax)	39	**270**	254	405
Finance expenses	40	**(2 531)**	(1 148)	(1 148)
Taxation	41	**(10 480)**	(10 129)	(8 153)
Remeasurement items affecting operating profit	42	**(1 504)**	(473)	1 233
		Rand	Rand	Rand
Earnings per share	43	**22,90**	37,30	27,35
		Rm	Rm	Rm
Other comprehensive income	44	**(2 881)**	3 652	(258)

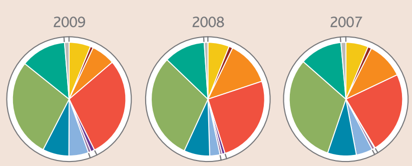
for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm
31 Turnover			
Sale of products	**136 482**	128 492	96 785
Services rendered	**777**	889	918
Other trading income	**577**	562	424
	137 836	129 943	98 127
Comprising			
Within South Africa	**68 256**	66 836	51 011
Exported from South Africa	**19 348**	15 331	9 854
Outside South Africa	**50 232**	47 776	37 262
	137 836	129 943	98 127

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm
31 *Turnover* continued			
Business segmentation			
South African energy cluster	**58 167**	58 515	42 561
Mining	**2 885**	2 470	1 694
Gas	**2 829**	2 563	2 075
Synfuels	**1 367**	982	976
Oil	**51 086**	52 500	37 816
International energy cluster	**4 183**	3 016	842
Synfuels International	**3 027**	1 788	65
Petroleum International	**1 156**	1 228	777
Chemical cluster	**75 315**	68 187	54 296
Polymers	**15 326**	11 162	9 305
Solvents	**16 317**	15 585	12 509
Olefins & Surfactants	**28 867**	28 125	22 012
Other	**14 805**	13 315	10 470
Other businesses	**171**	225	428
Total operations	**137 836**	129 943	98 127



32 *Cost of sales and services rendered*

	2009 Rm	2008 Rm	2007 Rm
Cost of sales of products	**87 995**	74 160	59 434
Cost of services rendered	**513**	474	563
	88 508	74 634	59 997
Business segmentation			
South African energy cluster	**37 727**	33 689	24 847
Mining	**5 438**	4 551	3 832
Gas	**734**	796	624
Synfuels	**6 006**	9 515	6 317
Oil	**25 549**	18 827	14 074
International energy cluster	**1 638**	1 080	560
Synfuels International	**957**	608	98
Petroleum International	**681**	472	462
Chemical cluster	**47 998**	39 072	33 751
Polymers	**4 951**	2 185	2 816
Solvents	**6 651**	5 488	4 915
Olefins & Surfactants	**24 922**	22 625	18 735
Other	**11 474**	8 774	7 285
Other businesses	**1 145**	793	839
Total operations	**88 508**	74 634	59 997



for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
33 Other operating income				
Emission rights received		**182**	133	185
Gain on hedging activities		**187**	128	91
Bad debts recovered		**3**	9	60
Insurance proceeds		**111**	5	–
Other		**538**	360	303
		1 021	635	639
34 Translation (losses)/gains				
(Losses)/gains on foreign exchange transactions				
realised		**549**	(533)	(240)
unrealised		**(715)**	833	8
		(166)	300	(232)
Comprising				
Forward exchange contracts		**(406)**	(133)	(116)
Trade receivables		**245**	477	(18)
(Loss)/gain on translation of foreign currency loans		**(157)**	365	99
Realisation of foreign currency translation reserve	42	**–**	(557)	–
Other		**152**	148	(197)
		(166)	300	(232)
35 Operating profit				
Operating profit includes				
Amortisation of other intangible assets	6	**(186)**	(192)	(279)
Auditors' remuneration	37	**(86)**	(83)	(86)
Depreciation of property, plant and equipment	3	**(6 059)**	(5 020)	(3 743)
Effect of remeasurement items	42	**(1 469)**	(698)	1 140
Employee costs (including employee related share-based payment expenses)		**(17 532)**	(14 443)	(11 695)
Exploration expenditure		**(310)**	(221)	(526)
Operating lease charges				
buildings		**(434)**	(324)	(236)
plant and equipment		**(677)**	(563)	(471)
Research expenditure		**(922)**	(761)	(690)
Restructuring costs		**(117)**	(220)	(361)
Technical and other fees		**(610)**	(348)	(256)
European Commission fine on Sasol Wax		**(3 678)**	–	–
Administration penalty on Sasol Nitro		**(251)**	–	–
Write-down of inventories to net realisable value	13	**(965)**	(105)	(71)

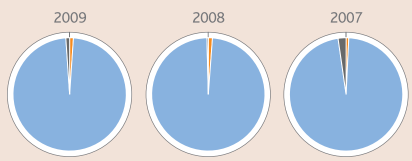
Included in operating profit is other expenses, which include share-based payment expenses (refer note 46), remeasurement items (refer note 42), the effect of crude oil hedging (refer note 36), competition related fines (refer above) and exploration expenditure (refer above).

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
36 Financial instruments income/(expenses)				
Financial instruments income/(expenses) recognised in the income statement				
Net gain/(loss) on derivative instruments held for trading		**4 296**	(1 409)	408
realised effect of crude oil hedging		**4 605**	(2 428)	408
revaluation of crude oil derivatives		**(2)**	227	(227)
revaluation of cross currency swaps		**(307)**	792	227
Net gain on settlement of financial liabilities		**–**	–	21
Ineffectiveness on cash flow hedges		**–**	–	(2)
Impairment of investments available-for-sale	42	**(8)**	–	(9)
Impairment of trade receivables				
raised during year	14	**(198)**	(60)	(46)
released during year	14	**41**	33	60
Impairment of long-term receivables		**–**	–	(9)
		4 131	(1 436)	423
37 Auditors' remuneration				
Audit fees		**79**	75	71
KPMG for financial statement audit		**70**	67	54
KPMG for Sarbanes-Oxley Section 404 audit		**8**	7	15
other external auditors		**1**	1	2
Other fees paid to auditors		**–**	2	8
advisory services		**–**	–	6
other advisory services		**–**	2	2
Tax advisory fees		**3**	2	3
Expenses		**4**	4	4
		86	83	86
38 Finance income				
Dividends received from investments available-for-sale		**27**	10	34
South Africa		**1**	–	15
outside South Africa		**26**	10	19
Interest received		**1 760**	716	788
South Africa		**1 461**	274	549
outside South Africa		**299**	442	239
Notional interest received	19	**3**	9	3
		1 790	735	825
Interest received on				
investments available-for-sale		**–**	1	1
investments held-to-maturity		**41**	35	22
loans and receivables (including cash and cash equivalents)		**1 719**	680	765
		1 760	716	788

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm

39 Share of profit of associates (net of tax)

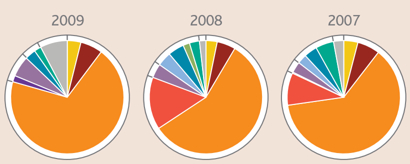
Profit before tax		**365**	335	437
Taxation		**(95)**	(81)	(32)
Share of profit of associates (net of tax)		**270**	254	405
Dividends received from associates		**480**	235	247
Business segmentation				
Synfuels		**3**	3	3
Polymers		**273**	251	384
Olefins & Surfactants		**(9)**	(1)	(1)
Other		**3**	1	19
Total operations		**270**	254	405



40 Finance expenses

Bank overdraft		**16**	56	49
Debt		**1 192**	1 979	1 409
Preference share dividends		**614**	3	–
Finance leases		**85**	86	80
Other		**245**	276	218
		2 152	2 400	1 756
Finance charges		**18**	8	80
		2 170	2 408	1 836
Amortisation of loan costs	18	**21**	19	38
Notional interest	20	**374**	307	263
Total finance expenses		**2 565**	2 734	2 137
Amounts capitalised		**(34)**	(1 586)	(989)
property, plant and equipment	3	**–**	(6)	(8)
assets under construction	4	**(34)**	(1 580)	(981)
Income statement charge		**2 531**	1 148	1 148
Total finance expenses comprise				
South Africa		**1 692**	1 263	1 176
outside South Africa		**873**	1 471	961
		2 565	2 734	2 137
Average capitalisation rate applied		**–**	8,5%	4,9%
Total finance expenses before amortisation of loan costs and notional interest		**2 170**	2 408	1 836
Less interest paid on tax payable		**(2)**	(3)	(3)
Less financial guarantee charge		**–**	–	(17)
Per the statement of cash flows		**2 168**	2 405	1 816

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
41 Taxation				
South African normal tax		**8 067**	8 497	6 016
current year		**8 276**	8 476	6 055
prior years		**(209)**	21	(39)
STC		**831**	637	529
Foreign tax		**515**	387	248
current year		**511**	459	241
prior years		**4**	(72)	7
Income tax	28	**9 413**	9 521	6 793
Deferred tax – South Africa	23	**826**	345	952
current year		**653**	527	845
prior years		**173**	18	107
tax rate change		**–**	(200)	–
Deferred tax – foreign	23	**241**	263	408
current year		**(5)**	381	391
prior years		**246**	(17)	17
tax rate change		**–**	(101)	–
		10 480	10 129	8 153
Business segmentation				
South African energy cluster		**8 395**	8 329	6 764
Mining		**416**	332	334
Gas		**677**	547	529
Synfuels		**7 389**	5 905	5 137
Oil		**(87)**	1 545	764
International energy cluster		**824**	225	284
Synfuels International		**192**	(191)	26
Petroleum International		**632**	416	258
Chemical cluster		**433**	1 385	866
Polymers		**(75)**	422	224
Solvents		**331**	474	310
Olefins & Surfactants		**(37)**	195	(97)
Other		**214**	294	429
Other businesses		**828**	190	239
Total operations		**10 480**	10 129	8 153



for the year ended 30 June	2009 %	2008 %	2007 %

41 Taxation *continued*

Reconciliation of effective tax rate
Total income tax expense differs from the amount computed by applying the South African normal tax rate to profit before tax. The reasons for these differences are

	2009 %	2008 %	2007 %
South African normal tax rate	**28,0**	28,0	29,0
Increase in rate of tax due to			
STC	**3,4**	2,0	2,0
disallowed expenditure	**3,4**	3,2	4,3
disallowed share-based expenses	**3,8**	1,3	0,2
increase in calculated tax losses	**–**	–	2,0
disallowed expenditure on fines	**5,3**	–	–
non-taxable goodwill	**–**	–	0,1
prior year adjustments	**0,8**	–	0,3
other adjustments	**1,8**	–	–
	46,5	34,5	37,9
Decrease in rate of tax due to			
exempt income	**–**	(0,8)	(3,2)
reduction in tax rate	**–**	(0,9)	–
different foreign tax rate	**(3,2)**	(1,3)	(3,0)
recognition of prior year assessed losses	**–**	(0,7)	–
utilisation of tax losses	**–**	(0,2)	–
other adjustments	**–**	(0,5)	–
Effective tax rate	**43,3**	30,1	31,7

42 Remeasurement items affecting operating profit

	Note	2009 Rm	2008 Rm	2007 Rm
Impairment of		**(458)**	(821)	(208)
property, plant and equipment	3	**(294)**	(447)	(19)
assets under construction	4	**(19)**	(371)	–
goodwill	5	**–**	–	(4)
other intangible assets	6	**(137)**	(3)	(167)
investments in securities	7	**(8)**	–	(9)
long-term receivables		**–**	–	(9)
(Loss)/profit on disposal of		**(761)**	440	749
property, plant and equipment		**11**	79	63
other intangible assets		**(2)**	12	(10)
investments in businesses	56	**(770)**	349	696
Loss on repurchase of participation rights in GTL project		**–**	(34)	–
Reversal of fair value write-down of disposal group held for sale		**–**	–	803
Reversal of impairment	3	**–**	381	–
Scrapping of property, plant and equipment		**(133)**	(96)	(204)
Scrapping of assets under construction		**(101)**	(11)	–
Write off of unsuccessful exploration wells		**(16)**	–	–
Realisation of foreign currency translation reserve	34	**–**	(557)	–
		(1 469)	(698)	1 140
Tax effect thereon		**(35)**	229	93
Non-controlling interest effect thereon		**–**	(4)	–
		(1 504)	(473)	1 233

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm
42 *Remeasurement items affecting operating profit* continued			
Business segmentation			
South African energy cluster	**(141)**	(116)	291
Mining	**(3)**	(7)	(13)
Gas	**(4)**	(104)	370
Synfuels	**(137)**	(25)	(64)
Oil	**3**	20	(2)
International energy cluster	**(794)**	(369)	–
Synfuels International	**(777)**	(396)	–
Petroleum International	**(17)**	27	–
Chemical cluster	**(510)**	(294)	538
Polymers	**1**	12	(9)
Solvents	**(158)**	(104)	(146)
Olefins & Surfactants	**(106)**	27	707
Other	**(247)**	(229)	(14)
Other businesses	**(24)**	81	311
Total operations	**(1 469)**	(698)	1 140

	Gross 2009 Rm	Tax 2009 Rm	Non-controlling interest 2009 Rm	Net 2009 Rm
Earnings effect of remeasurement items				
Impairment of	(458)	97	–	(361)
property, plant and equipment	(294)	81	–	(213)
assets under construction	(19)	–	–	(19)
other intangible assets	(137)	16	–	(121)
investments in securities	(8)	–	–	(8)
(Loss)/profit on disposal of	(761)	(158)	–	(919)
property, plant and equipment	11	(3)	–	8
other intangible assets	(2)	–	–	(2)
investments in businesses	(770)	(155)	–	(925)
Scrapping of property, plant and equipment	(133)	26	–	(107)
Scrapping of assets under construction	(101)	–	–	(101)
Write off of unsuccessful exploration wells	(16)	–	–	(16)
	(1 469)	(35)	–	(1 504)

42 Remeasurement items affecting operating profit *continued*

Impairments	Business unit	Property, plant and equipment 2009 Rm	Assets under construction 2009 Rm	Other intangible assets 2009 Rm	Total 2009 Rm
Chemical cluster		250	13	109	372
Sasol Italy Inorganics business	Olefins & Surfactants	13	–	–	13
Emission rights	Olefins & Surfactants	–	–	83	83
Acid Recovery plant	Solvents	63	–	–	63
Phalaborwa operations	Nitro	174	–	26	200
Secunda Granulation plant	Nitro	–	13	–	13
Other businesses					
Emission rights	Financing	–	–	23	23
Other		44	6	5	55
		294	19	137	450

Impairment of property, plant and equipment and assets under construction

The group's non-financial assets, other than inventories and deferred tax assets, are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverable amounts are estimated for individual assets or, where an individual asset cannot generate cash inflows independently, the recoverable amount is determined for the larger cash generating unit to which it belongs.

Impairment of the Phalaborwa plant

In June 2009, management considered the possible closure of its Phalaborwa operations due to adverse market conditions. The plant, which manufactures phosphoric acid from mainly phosphate rock and sulphur, has had varying financial success during its history in the Sasol portfolio. The plant's profitability is mainly determined by a combination of the feedstock prices of phosphate rock and sulphur, phosphoric acid sale volumes and international phosphoric acid prices. Despite having explored a number of different options, to avoid the closure of the plant, current feedstock prices are at a level that has rendered the plant's ongoing operation unsustainable, particularly in a declining phosphoric acid market. On the back of this continued decline of global and local phosphoric acid prices, as well as increased feedstock prices, Sasol Nitro is projecting significant losses for 2010 from its Phalaborwa operations. As a result, an impairment of R93 million was recognised in respect of the Phalaborwa plant. Further, provisions for restructuring costs of R39 million and rehabilitation of R24 million have also been recognised.

The above impairments were the main contributors to the impairment of property, plant and equipment and assets under construction during the year. Other smaller impairments are in respect of assets which are subject to reduced utilisation or reduction in market prices (emission rights).

42 *Remeasurement items affecting operating profit* continued

Value-in-use calculations

The recoverable amount of the assets reviewed for impairment is determined based on value-in-use calculations. Key assumptions relating to this valuation include the discount rate and cash flows used to determine the value in use. Future cash flows are estimated based on financial budgets approved by management covering a three, five and ten year period and are extrapolated over the useful life of the asset to reflect the long-term plans for the group using the estimated growth rate for the specific business or project. The estimated future cash flows and discount rates used are post-tax based on an assessment of the current risks applicable to the specific entity and country in which it operates. Discounting post-tax cash flows at a post-tax discount rate yields the same result as discounting pre-tax cash flows at a pre-tax discount rate.

Management determines the expected performance of the assets based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the increase in the geographic segment long-term Producer Price Index. Estimations are based on a number of key assumptions such as volume, price, product mix which will create a basis for future growth and gross margin. These assumptions are set in relation to historic figures and external reports on market growth. If necessary, these cash flows are then adjusted to take into account any changes in assumptions or operating conditions that have been identified subsequent to the preparation of the budgets.

The weighted average cost of capital rate (WACC) is derived from a pricing model based on credit risk and the cost of the debt. The variables used in the model are established on the basis of management judgement and current market conditions. Management judgement is also applied in estimating the future cash flows of the cash generating units. These values are sensitive to the cash flows projected for the periods for which detailed forecasts are not available and to the assumptions regarding the long-term sustainability of the cash flows thereafter. The WACC rate increased during the current financial year, as a result of increased cost of borrowing caused by financial market liquidity constraints and increased risk aversion to equities and emerging markets.

		South Africa %	North America %	Europe %
Main assumptions used for value-in-use calculations				
Growth rate – long-term Producer Price Index (PPI)	**2009**	**4,80**	**1,50**	**1,50**
Discount rate – Weighted Average Cost of Capital (WACC)	**2009**	**13,25**	**7,75**	**7,75**
Growth rate – long-term Producer Price Index (PPI)	2008	4,80	1,20	1,20
Discount rate – Weighted Average Cost of Capital (WACC)	2008	11,75	7,25	7,25

Sensitivity to changes in assumptions

Management has considered the sensitivity of the values in use determined above to various key assumptions such as crude oil prices, commodity prices and exchange rates. These sensitivities have been taken into consideration in determining the required impairments and reversals of impairments.

Disposal of Sasol's interest in the EGTL plant

During 2008, Sasol decided in principle that it would not continue with its 37,5% participation in the EGTL project. Following negotiations with Chevron Nigeria Limited, Sasol reduced its economic interest from 37,5% to 10% for which a consideration of R3 486 million (US$360 million) was received. The loss on the disposal of business recognised as at 30 June 2009 amounted to R771 million.

43 Earnings per share

Earnings per share is derived by dividing attributable earnings by the weighted average number of shares, after taking the share repurchase programme and the Sasol Inzalo share transaction into account. Appropriate adjustments are made in calculating diluted, headline and diluted headline earnings per share.

Diluted earnings per share reflect the potential dilution that could occur if all of the group's outstanding share options were exercised and the effects of all dilutive potential ordinary shares resulting from the Sasol Inzalo share transaction. The number of shares outstanding is adjusted to show the potential dilution if employee share options and Sasol Inzalo share rights are converted into ordinary shares and the ordinary shares that will be issued to settle the A and B preference shares in the Sasol Inzalo share transaction.

	Number of shares		
for the year ended 30 June	**2009 million**	2008 million	2007 million
Weighted average number of shares	**596,1**	601,0	622,6
Potential dilutive effect of outstanding share options	**6,1**	8,5	7,7
Potential dilutive effect of Sasol Inzalo transaction	**11,8**	–	–
Diluted weighted average number of shares	**614,0**	609,5	630,3

The diluted weighted average number of shares in issue for the year ended 30 June 2009 does not include the effect of ordinary shares issuable upon the conversion of Sasol Inzalo share rights in respect of the Sasol Inzalo Employee Trust and Sasol Inzalo Management Trust, as their effect is currently anti-dilutive.

for the year ended 30 June	Note	**2009 Rm**	2008 Rm	2007 Rm
Diluted earnings is determined as follows				
Earnings attributable to owners of Sasol Limited		**13 648**	22 417	17 030
Finance expense on potentially dilutive shares (Sasol Inzalo share transaction)		**350**	–	–
Diluted earnings		**13 998**	22 417	17 030
Headline earnings is determined as follows				
Earnings attributable to shareholders		**13 648**	22 417	17 030
Adjusted for				
effect of remeasurement items	42	**1 469**	698	(1 140)
tax effect thereon		**35**	(229)	(93)
non-controlling interest thereon		**–**	4	–
Headline earnings		**15 152**	22 890	15 797
Finance expense on potentially dilutive shares (Sasol Inzalo share transaction)		**350**	–	–
Diluted headline earnings		**15 502**	22 890	15 797

		2009 Rand	2008 Rand	2007 Rand

43 Earnings per share *continued*

		2009 Rand	2008 Rand	2007 Rand
Profit attributable to shareholders				
Basic earnings per share		**22,90**	37,30	27,35
Diluted earnings per share		**22,80**	36,78	27,02
Effect of share repurchase programme		**0,80**	1,73	0,10
Headline earnings				
Headline earnings per share		**25,42**	38,09	25,37
Diluted headline earnings per share		**25,25**	37,56	25,06
Effect of share repurchase programme		**0,88**	1,78	0,09
Dividends per share				
Ordinary shares of no par value				
Interim		**2,50**	3,65	3,10
Final*		**6,00**	9,35	5,90
		8,50	13,00	9,00

* *Declared subsequent to 30 June 2009 and has been presented for information purposes only. No provision regarding the final dividend has been recognised.*

		2009	2008	2007
Potential dilutive effect of options issued in terms of the Sasol Share Incentive Scheme				
Number of options granted at year end	thousand	**14 127**	16 212	21 439
Average issue price of options	Rand	**174,46**	171,92	159,03
Value at issue price	Rm	**2 465**	2 787	3 409
Average closing share price during year on JSE	Rand	**305,81**	360,27	248,93
Equivalent shares at closing share price	thousand	**8 059**	7 736	13 695
Potential dilutive effect of outstanding share options	thousand	**6 068**	8 476	7 744
Potential dilutive effect of shares to be issued to settle debt of the Sasol Inzalo share transaction				
Sasol Inzalo Groups Funding debt (A and B preference shares)	Rm	**1 292**	*	
Sasol Inzalo Public Funding debt (A and B preference shares)	Rm	**2 336**	*	
Closing share price on JSE	Rand	**269,98**	*	
Potential dilutive effect of the Sasol Inzalo share transaction	thousand shares	**13 437**	*	
Potential dilutive weighted effect of of Sasol Inzalo share transaction	thousand shares	**11 777**	*	

* *The potential dilutive effect of share rights issued in terms of the Sasol Inzalo share transaction in 2008 is insignificant as the transaction was concluded only at the end of that year.*

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm

44 *Other comprehensive income*

Components of other comprehensive income

	Note	2009 Rm	2008 Rm	2007 Rm
Effect of translation of foreign operations		**(2 485)**	3 452	(258)
Effect of cash flow hedges		**(497)**	261	–
(losses)/gains on effective portion of cash flow hedges		**(430)**	40	(8)
(gains)/losses on cash flow hedges transferred to hedged items		**(67)**	221	(10)
losses on cash flow hedges transferred to income statement		**–**	–	18
Loss on fair value of investments		**–**	(1)	–
Tax on other comprehensive income	23	**101**	(60)	–
Other comprehensive income for year, net of tax		**(2 881)**	3 652	(258)

Tax and non-controlling interest on other comprehensive income

for the year ended 30 June	Gross Rm	Tax Rm	Non-controlling interest Rm	Net Rm
2009				
Effect of translation of foreign operations	**(2 485)**	**1**	**3**	**(2 481)**
Losses on effective portion of cash flow hedges	**(430)**	**89**	**26**	**(315)**
Gains on cash flow hedges transferred to hedged items	**(67)**	**10**	**–**	**(57)**
Loss on fair value of investments	**–**	**1**	**–**	**1**
Other comprehensive income	**(2 982)**	**101**	**29**	**(2 852)**
2008				
Effect of translation of foreign operations	3 452	(1)	(2)	3 449
Gains on effective portion of cash flow hedges	40	(4)	(5)	31
Losses on cash flow hedges transferred to hedged items	221	(55)	–	166
Loss on fair value of investments	(1)	–	–	(1)
Other comprehensive income	3 712	(60)	(7)	3 645
2007				
Effect of translation of foreign operations	(258)	–	–	(258)
Losses on effective portion of cash flow hedges	(8)	–	–	(8)
Gains on cash flow hedges transferred to hedged items	(10)	–	–	(10)
Losses on cash flow hedges transferred to income statement	18	–	–	18
Other comprehensive income	(258)	–	–	(258)

equity structure

	Note
Share capital	45
Share-based payments	46
Foreign currency translation reserve	47
Share repurchase programme	48

	Number of shares		
for the year ended 30 June	**2009**	2008	2007
45 Share capital			
Authorised[1]			
Ordinary shares of no par value	**1 127 690 590**	1 127 690 590	1 175 000 000
Sasol preferred ordinary shares of no par value	**28 385 646**	28 385 646	–
Sasol BEE ordinary shares of no par value	**18 923 764**	18 923 764	–
	1 175 000 000	1 175 000 000	1 175 000 000

1. During May 2008, special resolutions were passed whereby 47 309 410 of the authorised but unissued ordinary shares of no par value of the capital of Sasol Limited were converted into 28 385 646 Sasol preferred ordinary shares of no par value and 18 923 764 Sasol BEE ordinary shares of no par value, respectively.

	2009	2008	2007
Issued			
Shares issued at beginning of year	**676 711 298**	627 696 148	682 978 425
Issued in terms of the Sasol Share Incentive Scheme	**1 745 800**	4 859 700	4 829 200
Issued in terms of the Sasol Inzalo share transaction[2]	**18 923 764**	44 155 450	–
Shares cancelled during year	**(31 500 000)**	–	(60 111 477)
Shares issued at end of year	**665 880 862**	676 711 298	627 696 148
Comprising			
Ordinary shares of no par value	**637 495 216**	667 249 416	627 696 148
Sasol preferred ordinary shares of no par value	**25 547 081**	9 461 882	–
Sasol BEE ordinary shares of no par value	**2 838 565**	–	–
	665 880 862	676 711 298	627 696 148

2. In 2009, 16 085 199 Sasol preferred ordinary shares were issued, at an issue price of R366,00 per share, for R5 888 million to the Black Public pursuant to the funded invitation. 2 838 565 Sasol BEE ordinary shares were issued, at an issue price of R366,00 per share, for R1 039 million to the Black Public pursuant to the cash invitation.

In 2008, 34 693 568 Sasol ordinary shares with a value of R12 698 million were issued at a nominal value of R0,01 per share to The Sasol Inzalo Employee and Management Trusts and the Sasol Inzalo Foundation, with the remaining amount being facilitated by Sasol. In addition, 9 461 882 Sasol preferred ordinary shares were issued, at an issue price of R366,00 per share, for R3 463 million to the selected participants. The Black Public invitation was not effective at 30 June 2008.

	2009	2008	2007
Held in reserve			
Allocated to the Sasol Share Incentive Scheme	**16 257 400**	18 005 500	22 865 200
Unissued shares	**492 861 738**	480 283 202	524 438 652
Ordinary shares of no par value	**473 937 974**	442 435 674	524 438 652
Sasol preferred ordinary shares of no par value	**2 838 565**	18 923 764	–
Sasol BEE ordinary shares of no par value	**16 085 199**	18 923 764	–
	509 119 138	498 288 702	547 303 852

45 ***Share capital*** *continued*

Conditions attached to share classifications
The Sasol ordinary shares issued have no conditions attached to them.

The Sasol preferred ordinary shares have voting rights attached to them and will be Sasol ordinary shares at the end of the term of the Sasol Inzalo share transaction. The Sasol preferred ordinary shares rank *pari passu* with the Sasol ordinary shares and differ only in the fact that they are not listed and trading is restricted.

Further, the Sasol preferred ordinary shares carry a cumulative preferred dividend right where a dividend has been declared during the term of the Sasol Inzalo share transaction, with the dividends set out as follows:

– R16,00 per annum for each of the three years until 30 June 2011;
– R22,00 per annum for the next three years until 30 June 2014; and
– R28,00 per annum for the last four years until 30 June 2018.

The Sasol BEE ordinary shares have voting rights attached to them and will be Sasol ordinary shares at the end of the term of the Sasol Inzalo share transaction. The Sasol BEE ordinary shares rank *pari passu* with the Sasol ordinary shares and differ only in the fact that they are not listed and trading is restricted.

The Sasol BEE ordinary shares receive dividends per share simultaneously with, and equal to, the Sasol ordinary shares.

Capital management
The group's objectives when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) are to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to provide sustainable returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, repurchase current issued shares, cancel shares, issue new shares or sell assets to reduce debt.

The group purchases its own shares on the open market, up to a maximum of 4% (2008 – 10%) of the issued share capital before the Sasol Inzalo share transaction. These shares are held as treasury shares and do not carry any voting rights.

The group monitors capital on the basis of its gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by shareholders' equity.

During 2009, the targeted gearing ratio was lowered to 20% – 40% from the previous range of 30% – 50%. The decrease in the gearing ratio from 20,5% in 2008 to (1,2%) during 2009 resulted primarily from our cash conservation approach and the suspension of our share repurchase programme.

for the year ended 30 June	Note	**2009 Rm**	2008 Rm	2007 Rm
46 *Share-based payments*				
During the year the following share-based payment expenses were recognised in the income statement regarding share-based payment arrangements that existed:				
Equity settled – recognised directly in equity		**3 293**	1 574	186
Sasol Share Incentive Scheme	46.1	**91**	140	186
Sasol Inzalo share transaction	46.2	**3 202**	1 434	–
Cash settled – recognised in long-term provisions				
Sasol Share Appreciation Rights Scheme	46.3	**32**	208	4
		3 325	1 782	190

46 Share-based payments continued

46.1 The Sasol Share Incentive Scheme

In 1988, the shareholders approved the adoption of the Sasol Share Incentive Scheme. The scheme was introduced to provide an incentive for senior employees (including executive directors) of the group who participate in management and also non-executive directors from time to time.

The objective of the Sasol Share Incentive Scheme is to recognise the contributions of senior staff to the value added to the group's financial position and performance and to retain key employees. Allocations are linked to the performance of both the group and the individual. Options are granted for a period of nine years and vest as follows

2 years – 1st third
4 years – 2nd third
6 years – final third

The offer price of these options equals the closing market price of the underlying shares on the trading day immediately preceding the granting of the option. These options are settled by means of the issue of ordinary shares of no par value by Sasol Limited. The fair value of the equity settled expense is calculated at grant date.

In terms of the scheme, options to a maximum of 60 000 000 ordinary shares may be offered by the trustees to eligible group employees. Each employee is limited to holding a maximum of 1 000 000 options to acquire Sasol Limited shares.

On resignation, share options which have not yet vested will lapse and share options which have vested may be taken up at the employee's election before their last day of service. Payment on shares forfeited will therefore not be required. On death, all options vest immediately and the deceased estate has a period of twelve months to exercise these options. On retirement the options vest immediately and the nine year expiry period remains unchanged.

Following the introduction of the Sasol Share Appreciation Rights Scheme in March 2007, no further options have been issued in terms of the Sasol Share Incentive Scheme. Unimplemented share options will not be affected by the Sasol Share Appreciation Rights Scheme.

It is group policy that employees should not deal in Sasol Limited shares for the periods from 1 January for half year end and 1 July for year end until 2 days after publication of the results and at any other time during which they have access to price sensitive information.

	Number of shares		
for the year ended 30 June	**2009**	2008	2007
Shares allotted	**43 742 600**	41 994 500	37 134 800
Share options granted	**14 215 500**	16 212 000	21 439 100
Available for allocation	**–**	–	1 426 100
Unallocated share options	**2 041 900**	1 793 500	–
	60 000 000	60 000 000	60 000 000
Vesting periods of options granted			
Already vested	**7 369 600**	5 595 800	5 818 300
Within one year	**2 484 100**	3 331 400	4 523 700
One to two years	**2 005 000**	2 643 300	3 465 400
Two to three years	**1 512 500**	2 129 600	2 790 900
Three to four years	**844 300**	1 615 200	2 206 300
Four to five years	**–**	896 700	1 699 100
More than five years	**–**	–	935 400
	14 215 500	16 212 000	21 439 100

46 Share-based payments *continued*

46.1 The Sasol Share Incentive Scheme continued

Movements in the number of options granted	Number of shares	Weighted average option price Rand
Balance at 30 June 2006	**23 818 700**	**116,32**
Options granted	2 911 800	238,27
Options converted to shares	(4 829 200)	68,72
Options forfeited	(21 400)	232,38
Options lapsed	(440 800)	152,21
Balance at 30 June 2007	**21 439 100**	**142,75**
Options granted	(4 859 700)	96,80
Options converted to shares	(367 400)	189,07
Balance at 30 June 2008	**16 212 000**	**155,47**
Options converted to shares	(1 745 800)	91,16
Options lapsed	(250 700)	170,70
Balance at 30 June 2009	**14 215 500**	**163,10**

	2009 Rand	2008 Rand	2007 Rand
Average price at which share options were granted during year	**–**	–	238,27
Average market price of options traded during year	**295,44**	366,71	253,68
Average fair value of share options vested during year	**43,82**	39,29	27,85
Average fair value of share options issued during year	**–**	–	64,35

	2009 Rm	2008 Rm	2007 Rm
Total intrinsic value of share options exercised during year	**357**	1 312	893
Share-based payment expense recognised*	**91**	140	186

* *The unrecognised share-based payment expense related to non-vested share options, expected to be recognised over a weighted average period of 1,1 years, amounted to R106 million at 30 June 2009 (2008 – R197 million).*

There was no income tax recognised as a consequence of Sasol Share Incentive Scheme.

The share-based payment expense is calculated using the Black Scholes model based on the following assumptions at grant date.

		2009	2008	2007
Risk free interest rate	%	*	*	7,75
Expected volatility	%	*	*	34
Expected dividend yield	%	*	*	3,8
Vesting period		*	*	2, 4, 6 years

* *Following the introduction of the Sasol Share Appreciation Rights Scheme in 2007, no further options have been granted in terms of the Sasol Share Incentive Scheme. The share-based payment expense recognised in the current year relates to options granted in previous years and is calculated based on the assumptions applicable to the year in which the options were granted.*

The risk-free rate for periods within the contractual term of the share options is based on the South African government bonds in effect at the time of the grant.

The expected volatility in the value of the share options granted is determined using the historical volatility of the Sasol share price.

The valuation of the share-based payment expense requires a significant degree of judgement to be applied by management.

46 Share-based payments continued

46.1 The Sasol Share Incentive Scheme continued

Range of exercise prices	Number of shares	Weighted average option Rand	Aggregate intrinsic value Rm	Weighted average remaining life years
Details of unimplemented share options granted up to 30 June 2009				
R30,01 – R60,00	175 400	54,62	38	0,31
R60,01 – R90,00	2 432 900	84,85	450	2,51
R90,01 – R120,00	3 940 600	111,34	625	3,29
R120,01 – R150,00	469 200	133,62	64	4,20
R150,01 – R180,00	351 300	158,30	39	4,80
R180,01 – R210,00	880 800	195,53	66	5,04
R210,01 – R240,00	4 957 600	224,90	223	5,65
R240,01 – R270,00	791 000	251,38	15	6,26
R270,01 – R300,00	216 700	274,71	(1)	5,93
	14 215 500	163,10	1 519	
Details of unimplemented share options vested at 30 June 2009				
R30,01 – R60,00	182 400	54,60	39	
R60,01 – R90,00	1 713 900	83,61	319	
R90,01 – R120,00	2 890 300	112,28	456	
R120,01 – R150,00	263 400	133,82	36	
R150,01 – R180,00	192 500	158,12	22	
R180,01 – R210,00	278 600	195,15	21	
R210,01 – R240,00	1 526 800	225,25	68	
R240,01 – R270,00	258 900	251,41	5	
R270,01 – R300,00	62 800	274,75	–	
	7 369 600	138,96	966	

46.2 The Sasol Inzalo share transaction

In May 2008, the shareholders approved the Sasol Inzalo share transaction, a broad-based Black Economic Empowerment (BEE) transaction, which resulted in the transfer of beneficial ownership of 10% (63,1 million shares) of Sasol Limited's issued share capital before the implementation of this transaction to its employees and a wide spread of BEE participants. The transaction was introduced to assist Sasol, as a major participant in the South African economy, in meeting its empowerment objectives.

Components of the transaction	Note	2009 % allocated	Value of shares issued 2009 Rm	Share-based payment expense recognised 2009 Rm
The Sasol Inzalo Employee Trust and The Sasol Inzalo Management Trust[1]	i	4,0	9 235	767
The Sasol Inzalo Foundation[2]	ii	1,5	3 463	–
Selected Participants	iii	1,5	3 463	–
Black Public Invitations	iv	3,0	6 927	2 435
		10,0	23 088	3 202

46 Share-based payments *continued*

46.2 The Sasol Inzalo share transaction continued

Components of the transaction	Note	2008 % allocated	Value of shares issued 2008 Rm	Share-based payment expense recognised 2008 Rm
The Sasol Inzalo Employee Trust and The Sasol Inzalo Management Trust[1]	i	4,0	9 235	77
The Sasol Inzalo Foundation[2]	ii	1,5	3 463	–
Selected Participants	iii	1,5	3 463	1 357
Black Public Invitations[3]	iv	3,0	–	–
		10,0	16 161	1 434

1. *The unrecognised share-based payment expense related to non-vested Employee and Management Trusts' share rights, expected to be recognised over a weighted average period of 2,6 years amounted to R2 889 million at 30 June 2009 (2008 – R4 872 million).*
2. *No share-based payment expense is recognised for The Sasol Inzalo Foundation.*
3. *No share-based payment expense had been recognised at 30 June 2008 as the Black Public Invitations remained open until 9 July 2008.*

i The Sasol Inzalo Employee Trust and The Sasol Inzalo Management Trust (The Trusts)

On 3 June 2008, staff members that were South African residents or who were migrant workers that did not participate in the Sasol Share Incentive Scheme and the Sasol Share Appreciation Rights Scheme participated in The Sasol Inzalo Employee Trust (Employee Scheme), while all senior black staff that are South African residents participated in The Sasol Inzalo Management Trust (Management Scheme).

The share rights, which entitled the employees from the inception of the scheme to receive ordinary shares at the end of ten years, vest according to unconditional entitlement as follows:

– after three years: 30%
– thereafter: 10% per year until maturity

Participants in the Employee Scheme were granted share rights to 850 Sasol ordinary shares. The allocation of the shares in the Management Scheme was based on seniority and range from 5 000 to 25 000. 12% of the allocated shares has been set aside for new employees appointed during the first five years of the transaction. On resignation, within the first three years from the inception of the transaction, share rights granted will be forfeited. For each year thereafter, 10% of such share rights will be forfeited for each year or part thereof remaining until the end of the transaction period. On retirement, death or retrenchment the rights will remain with the participant.

The fair value of the equity settled share-based payment expense is calculated at grant date and expensed over the vesting period of the share rights.

The Sasol ordinary shares were issued to the Trusts, funded by contributions from Sasol, which collectively subscribed for 25,2 million Sasol ordinary shares at a nominal value of R0,01 per share, subject to pre-conditions regarding the right to receive only 50% of ordinary dividends paid on ordinary shares and Sasol's right to repurchase a number of shares at a nominal value of R0,01 per share at the end of year ten in accordance with a pre-determined formula. The participant has the right to all ordinary dividends received by the Trusts for the duration of the transaction.

After Sasol has exercised its repurchase right and subject to any forfeiture of share rights, each participant will receive a number of Sasol ordinary shares in relation to their respective share rights.

Any shares remaining in the Trusts after the distribution to participants may be distributed to The Sasol Inzalo Foundation.

46 Share-based payments *continued*

46.2 The Sasol Inzalo share transaction continued

ii The Sasol Inzalo Foundation

On 3 June 2008, The Sasol Inzalo Foundation, which was incorporated as a trust and in the process of being registered as a public benefit organisation, subscribed for 9,5 million Sasol ordinary shares at nominal value of R0,01 per share.

The primary focus of The Sasol Inzalo Foundation is skills development and capacity building of black South Africans, predominantly in the fields of mathematics, science and technology.

The conditions of subscription for Sasol ordinary shares by The Sasol Inzalo Foundation includes the right to receive dividends equal to 5% of the ordinary dividends declared in respect of Sasol ordinary shares held by the Foundation. Sasol is entitled to repurchase a number of Sasol ordinary shares from the Foundation at a nominal value of R0,01 per share at the end of ten years in accordance with a pre-determined formula.

After Sasol has exercised its repurchase right, the Foundation will receive 100% of dividends declared on the Sasol ordinary shares owned by the Foundation.

iii Selected Participants

In 2008, selected BEE groups (Selected Participants) which included Sasol customers, Sasol suppliers, Sasol franchisees, women's groups, trade unions and other professional associations, through a funding company, which is consolidated as part of the Sasol group, subscribed in total for 9,5 million Sasol preferred ordinary shares. A portion of these shares have not yet been allocated to Selected Participants and have been subscribed for by a facilitation trust, which is funded by Sasol. As at 30 June 2009, 1,1 million (2008 – 1,1 million) Sasol preferred ordinary shares were issued to the facilitation trust.

The Selected Participants contributed equity between 5% to 10% of the value of their underlying Sasol preferred ordinary shares allocation, with the balance of the contribution funded through preference share debt (refer note 18), including preference shares subscribed for by Sasol.

The fair value of the equity settled share-based payment expense relating to the share rights issued to the Selected Participants is calculated at grant date and is expensed immediately as all vesting conditions had been met at that date.

The Selected Participants are entitled to receive a dividend of up to 5% of the dividend declared on the Sasol preferred ordinary shares in proportion to their effective interest in Sasol's issued share capital, from the commencement of the fourth year of the transaction term of ten years, subject to the financing requirements of the preference share debt.

At the end of the transaction term, the Sasol preferred ordinary shares will automatically be Sasol ordinary shares and will then be listed on the JSE Limited. The Sasol ordinary shares remaining in the funding company after redeeming the preference share debt and paying costs may then be distributed to the Selected Participants in proportion to their shareholding.

The funding company, from inception, has full voting and economic rights with regard to its shareholding of Sasol's total issued share capital.

iv Black Public Invitations

The Sasol Inzalo Black Public Invitations aimed to provide as many black people (Black Public) as possible with an opportunity to acquire shares in Sasol. The Black Public owns 3% of Sasol's issued share capital, through their particpation in the Funded and Cash Invitations described below.

The Black Public invitations were not yet effective at 30 June 2008. The invitations closed on 9 July 2008, and have been included in the results for 2009. On 8 September 2008, the Black Public indirecly subscribed for 16 085 199 preferred ordinary shares and directly for 2 838 565 Sasol BEE ordinary shares.

The fair value of the equity settled share-based payment expense relating to the share rights issued to the Black Public calculated at grant date and is expensed immediately as all vesting conditions would have been met at that date. At 30 June 2009, 57 254 Sasol preferred ordinary shares and 16 097 BEE ordinary shares were issued to a facilitation trust funded by Sasol.

46 Share-based payments *continued*

46.2 The Sasol Inzalo share transaction continued

iv Black Public Invitations continued

Funded Invitation

The members of the Black Public participating in the Funded Invitation through a funding company, is consolidated as part of the Sasol group, subscribed for 16,1 million Sasol preferred ordinary shares. The Black Public contributed equity between 5% to 10% of their underlying Sasol preferred ordinary shares allocation, with the balance of the contribution being funded through preference share debt, (refer note 18), including preference shares subscribed for by Sasol.

Participants in the Funded Invitation may not dispose of their shares for the first three years after inception. Thereafter, for the remainder of the transaction term, trading in the shares will be allowed with other Black People or Black Groups through an over-the-counter trading mechanism. Participants in the Funded Invitation may not encumber the shares held by them before the end of the transaction term.

The Black Public are entitled to receive a dividend of up to 5% of the dividend on the Sasol preferred ordinary shares in proportion to their effective interest in Sasol's issued share capital, from the commencement of the fourth year of the transaction term of ten years, subject to the financing requirements of the preference share debt.

At the end of the transaction term, the Sasol preferred ordinary shares will automatically be Sasol ordinary shares and will then be listed on the JSE Limited. The Sasol ordinary shares remaining in the funding company after redeeming the preference share debt and paying costs may then be distributed to the Black Public in proportion to their shareholding.

The funding company has, from inception, full voting and economic rights with regard to its interest in Sasol's issued share capital.

Cash Invitation

The Cash Invitation allowed members of the Black Public to invest directly in Sasol BEE ordinary shares. As at 30 June 2009, the Black Public held 2,8 million Sasol BEE ordinary shares. Participants in the Cash Invitation receive dividends per share simultaneously with, and equal to, Sasol ordinary shareholders. In addition, they are entitled to exercise full voting rights attached to their Sasol BEE ordinary shares.

The Sasol BEE ordinary shares cannot be traded for the first two years of the transaction and, for the remainder of the transaction term, can only be traded between Black People and Black Groups.

Participants in the Cash Invitation are entitled to encumber their Sasol BEE ordinary shares, provided that these shares continue to be owned by members of the Black Public for the duration of the transaction term.

At the end of the transaction term, the Sasol BEE ordinary shares will automatically be Sasol ordinary shares and will then be listed on the JSE Limited.

at 30 June 2009	Total	i) Employee and Management Trusts	ii) Sasol Inzalo Foundation	iii) Selected Participants	iv) Black Public Invitations
Shares and share rights granted	58 333 322	21 633 050	9 461 882	8 387 977	18 850 413
Shares and share rights available for allocation	4 745 892	3 598 636	–	1 073 905	73 351
	63 079 214	25 231 686	9 461 882	9 461 882	18 923 764
Vesting periods of shares and share rights granted					
Already vested	36 700 272	–	9 461 882	8 387 977	18 850 413
Within three years	6 489 915	6 489 915	–	–	–
Three to five years	4 326 610	4 326 610	–	–	–
Five to ten years	10 816 525	10 816 525	–	–	–
	58 333 322	21 633 050	9 461 882	8 387 977	18 850 413

46 Share-based payments *continued*

46.2 The Sasol Inzalo share transaction continued

iv Black Public Invitations continued

at 30 June 2008	Total	i) Employee and Management Trusts	ii) Sasol Inzalo Foundation	iii) Selected Participants	iv) Black Public Invitations*
Shares and share rights granted	40 151 859	22 302 000	9 461 882	8 387 977	–
Shares and share rights available for allocation	4 003 591	2 929 686	–	1 073 905	–
Shares and share rights unissued at year end	18 923 764	–	–	–	18 923 764
	63 079 214	25 231 686	9 461 882	9 461 882	18 923 764
Vesting periods of share rights granted					
Already vested	17 849 859	–	9 461 882	8 387 977	–
Within three years	6 690 600	6 690 600	–	–	–
Three to five years	4 460 400	4 460 400	–	–	–
Five to ten years	11 151 000	11 151 000	–	–	–
	40 151 859	22 302 000	9 461 882	8 387 977	–

* *Transaction not yet effective at 30 June 2008.*

The share-based payment expense was calculated using an option pricing model reflective of the underlying characteristics of each part of the transaction. It is calculated using the following assumptions at grant date.

		Employee and Management Trusts 2009	**Selected Participants 2009**	**Black Public Invitation – Funded 2009**	**Black Public Invitation – Cash 2009**
Valuation model		**Monte Carlo**	**Black-Scholes**	**Black-Scholes**	*
Exercise price	Rand	**366,00**	**366,00**	**366,00**	
Risk-free interest rate	%	**11,8**	**10,7**	**10,3**	
Expected volatility	%	**34,0**	**34,0**	**34,0**	
Expected dividend yield	%	**2,67 – 4,5**	**3,0**	**3,0**	
Vesting period		**10 years**	**10 years**	**10 years**	

* *The share-based payment expense was calculated as the difference between the market value of R437,99 per share and the issue price of R366 per share on grant date.*

		Employee and Management Trusts 2008	Selected Participants 2008
Valuation model		Monte Carlo	Black-Scholes
Exercise price	Rand	366,00	366,00
Risk-free interest rate	%	11,8	10,7
Expected volatility	%	34,0	34,0
Expected dividend yield	%	2,67 – 4,5	3,0
Vesting period		10 years	10 years

The risk-free rate for periods within the contractual term of the share rights is based on the South African government bonds in effect at the time of the grant.

The expected volatility in the value of the share rights granted is determined using the historical volatility of the Sasol share price.

The expected dividend yield of the share rights granted is determined using the historical dividend yield of the Sasol ordinary shares.

The valuation of the share-based payment expense requires a significant degree of judgement to be applied by management.

46 *Share-based payments continued*

46.2 The Sasol Inzalo share transaction continued

iv Black Public Invitations continued

Movements in the number of shares and share rights granted	Number of shares/ share rights	Weighted average value Rand	Aggregate intrinsic value Rm	Weighted average remaining life years
i) Sasol Inzalo Employee and Management Trusts				
Balance at 30 June 2008	22 302 000	366,00	(2 141)	–
Shares and share rights granted	236 132	366,00	(23)	–
Shares and share rights forfeited	(905 082)	–	(244)	–
Balance at 30 June 2009	**21 633 050**	**366,00**	**(2 408)**	**9,0**
ii) Sasol Inzalo Foundation				
Balance at 30 June 2008	9 461 882	366,00	(909)	–
Shares and share rights granted	–	–	–	–
Balance at 30 June 2009	**9 461 882**	**366,00**	**(909)**	**9,0**
iii) Selected Participants				
Balance at 30 June 2008	8 387 977	366,00	(805)	–
Shares and share rights granted	–	–	–	–
Balance at 30 June 2009	**8 387 977**	**366,00**	**(805)**	**9,0**
iv) Black Public Invitations				
Shares and share rights granted	18 850 413	366,00	(1 810)	–
Balance at 30 June 2009	**18 850 413**	**366,00**	**(1 810)**	**9,0**

	i) Employee and Management Trusts 2009	ii) Sasol Inzalo Foundation 2009	iii) Selected Participants 2009	iv) Black Public Invitations – Funded 2009	iv) Black Public Invitations – Cash 2009
Average price at which shares/share rights were granted during year	**366***	–	–	**366***	**366***
Average fair value of shares/share rights issued during year	–	–	–	**137,24**	**71,99**

	i) Employee and Management Trusts 2008	ii) Sasol Inzalo Foundation 2008	iii) Selected Participants 2008	iv) Black Public Invitations – Funded 2008	iv) Black Public Invitations – Cash 2008
Average price at which share rights were granted during year	366,00	366,00	366,00	–	–
Average fair value of rights issued during year	221,88	–	161,82	–	–

* *Underlying value at 60 day volume weighted average price on 18 March 2008, although the shares were issued at a nominal value of R0,01 per share.*

No unimplemented share rights relating to the Employee and Management Trusts have vested at year end.

46 Share-based payments continued

46.3 The Sasol Share Appreciation Rights Scheme

During March 2007, the group introduced the Sasol Share Appreciation Rights Scheme. This scheme replaces the Sasol Share Incentive Scheme. The objectives of the scheme are similar to that of the Sasol Share Incentive Scheme. The Share Appreciation Rights Scheme allows certain senior employees to earn a long-term incentive amount calculated with reference to the increase in the Sasol Limited share price between the offer date of share appreciation rights to vesting and exercise of such rights.

No shares are issued in terms of this scheme and all amounts payable in terms of the Sasol Share Appreciation Rights Scheme will be settled in cash.

The objective of the Sasol Share Appreciation Rights Scheme is to recognise the contributions of senior staff to the group's financial position and performance and to retain key employees. Allocations are linked to the performance of both the group and the individual. Rights are granted for a period of nine years and vest as follows:

2 years – 1st third
4 years – 2nd third
6 years – final third

The offer price of these appreciation rights equals the closing market price of the underlying shares on the trading day immediately preceding the granting of the right. The fair value of the cash settled expense is calculated at each reporting date.

On resignation, share appreciation rights which have not yet vested will lapse and share appreciation rights which have vested may be taken up at the employee's election before their last day of service. Payment on shares forfeited will therefore not be required. On death, all appreciation rights vest immediately and the deceased estate has a period of twelve months to exercise these rights. On retirement the appreciation rights vest immediately and the nine year expiry period remains unchanged.

It is group policy that employees should not deal in Sasol Limited shares (and this is extended to the Sasol Share Appreciation Rights) for the periods from 1 January for half year end and 1 July for year end until 2 days after publication of the results and at any other time during which they have access to price sensitive information.

	Number of share appreciation rights		
	2009	2008	2007
Rights granted	**8 193 300**	3 839 200	917 400
Available for allocation*	**11 806 700**	16 160 800	19 082 600
	20 000 000	20 000 000	20 000 000

* *In terms of the Share Appreciation Rights Scheme, the number of rights available through the scheme together with the number of share options available under the previous Sasol Share Incentive Scheme shall not at any time exceed 80 million shares/rights.*

	Number of share appreciation rights		
	2009	2008	2007
Vesting periods of rights granted			
Already vested	**261 300**	4 300	–
Within one year	**954 600**	310 400	–
One to two years	**1 779 300**	974 300	306 400
Two to three years	**961 400**	296 800	–
Three to four years	**1 790 400**	974 300	306 400
Four to five years	**971 300**	295 000	–
More than five years	**1 475 000**	984 100	304 600
	8 193 300	3 839 200	917 400

46 Share-based payments *continued*

46.3 The Sasol Share Appreciation Rights Scheme continued

Movements in the number of rights granted	Number of share appreciation rights	Weighted average share price Rand
Rights granted	931 800	242,08
Rights forfeited	(14 400)	(257,06)
Balance at 30 June 2007	917 400	241,85
Rights granted	3 037 600	332,77
Rights forfeited	(30 700)	(310,33)
Rights lapsed	(85 100)	(275,98)
Balance at 30 June 2008	3 839 200	249,31
Rights granted	4 712 600	320,85
Rights exercised	(27 500)	231,06
Rights forfeited	(50 100)	352,10
Rights lapsed	(280 900)	326,71
Balance at 30 June 2009	8 193 300	287,24

	2009 Rand	2008 Rand	2007 Rand
Average price at which share appreciation rights were granted during year	**320,85**	332,77	242,08
Average market price of share appreciation rights traded during the year	**291,88**	–	–
Average fair value of share appreciation rights vested during year	**106,31**	211,13	–
Average fair value of share appreciation rights issued during year	**110,17**	211,56	81,85

	2009 Rm	2008 Rm	2007 Rm
Total intrinsic value of share appreciation rights exercised during the year	**2**	–	–
Share-based payment expense recognised*	**32**	208	4

* *The unrecognised share-based payment expense related to non-vested share appreciation rights, expected to be recognised over a weighted average period of 1,8 years, amounted to R502 million at 30 June 2009 (2008 – R651 million).*

46 Share-based payments *continued*

46.3 The Sasol Share Appreciation Rights Scheme continued

The share-based payment expense is calculated using the binomial tree model based on the following assumptions at 30 June

		2009	2008	2007
Risk free interest rate	%	**8,79 – 8,86**	11,12 – 11,26	9,02 – 9,05
Expected volatility	%	**54,32**	35,73	29,22
Expected dividend yield	%	**3,37**	3,44	3,60
Expected forfeiture rate	%	**5,00**	3,30	3,25
Vesting period		**2, 4, 6 years**	2, 4, 6 years	2, 4, 6 years

The risk-free rate for periods within the contractual term of the rights is based on the South African government bonds in effect at the time of the valuation of the grant.

The expected volatility in the value of the rights granted is determined using the historical volatility of the Sasol share price.

The expected dividend yield of the rights granted is determined using the historical dividend yield of the Sasol ordinary shares.

The valuation of the share-based payment expense requires a significant degree of judgement to be applied by management.

Range of exercise prices	Number of shares	Weighted average price per right Rand	Aggregate intrinsic value Rm	Weighted average remaining life years
Details of unimplemented rights granted up to 30 June 2009				
R210,01 – R240,00	365 300	222,50	17	6,68
R240,01 – R270,00	1 501 800	257,39	19	8,07
R270,01 – R300,00	2 563 500	292,12	(57)	7,62
R300,01 – R330,00	95 100	327,20	(5)	7,28
R330,01 – R360,00	2 992 100	351,07	(243)	8,14
R390,01 – R420,00	259 800	407,50	(36)	7,70
R420,01 – R450,00	206 100	444,00	(36)	7,82
R450,01 – R480,00	165 600	474,10	(34)	7,93
R480,01 – R510,00	44 000	496,75	(10)	7,91
	8 193 300	316,84	(385)	
Details of unimplemented rights vested at 30 June 2009				
R210,01 – R240,00	114 000	222,50	5	
R240,01 – R270,00	147 300	258,33	2	
	261 300	242,70	7	

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
47 Foreign currency translation reserve				
Translation of foreign operations				
Property, plant and equipment		**(1 414)**	2 082	(40)
cost	3	**(3 923)**	7 031	441
accumulated depreciation	3	**2 509**	(4 949)	(481)
Assets under construction	4	**88**	1 066	(349)
Goodwill	5	**(69)**	144	5
Intangible assets		**(110)**	119	18
cost	6	**(209)**	315	37
accumulated amortisation	6	**99**	(196)	(19)
Investments in securities	7	**(25)**	54	6
Investments in associates		**(284)**	117	7
Post-retirement benefit assets		**(36)**	37	(5)
Long-term receivables		**(43)**	97	4
Long-term financial assets		**(3)**	–	–
Inventories		**(394)**	1 558	255
Trade receivables		**(373)**	1 530	134
Other receivables and prepaid expenses		**(17)**	208	(21)
Short-term financial assets		**–**	4	1
Cash and cash equivalents		**(870)**	324	(24)
Non-controlling interest		**3**	(1)	–
Long-term debt	18	**(173)**	(518)	(116)
Long-term provisions	20	**140**	(340)	(25)
Post-retirement benefit obligations		**280**	(556)	(60)
Long-term deferred income		**(51)**	(423)	48
Deferred tax	23	**115**	(290)	7
Short-term debt	24	**22**	(76)	1
Short-term financial liabilities		**1**	(2)	–
Short-term provisions	28	**88**	(141)	(11)
Tax payable	29	**23**	(91)	(17)
Trade payables and accrued expenses		**224**	(1 015)	(66)
Other payables		**400**	(230)	(201)
		(2 478)	3 657	(449)
Arising from net investment in foreign operations		**(3)**	(764)	(26)
Less deferred tax effect thereon		**–**	(1)	–
Movement for year		**(2 481)**	2 892	(475)
Realisation of foreign currency translation reserve		**–**	557	217
Disposal of businesses		**414**	–	4
Balance at beginning of year		**3 006**	(443)	(189)
Balance at end of year		**939**	3 006	(443)

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm
47 Foreign currency translation reserve *continued*			
Business segmentation			
South African energy cluster	**(4)**	(4)	(3)
International energy cluster	**(932)**	(337)	(941)
Synfuels International	**(959)**	(399)	(892)
Petroleum International	**27**	62	(49)
Chemical cluster	**1 192**	2 007	330
Polymers	**36**	398	14
Solvents	**830**	956	1 215
Olefins & Surfactants	**189**	689	(408)
Wax	**1 012**	1 354	525
Other	**(875)**	(1 390)	(1 016)
Other businesses	**683**	1 340	171
Financing	**640**	1 282	123
Other	**43**	58	48
	939	3 006	(443)

	Number of shares		
	2009	2008	2007
48 Share repurchase programme			
Held by the wholly owned subsidiary, Sasol Investment Company (Pty) Limited			
Balance at beginning of year	**37 093 117**	14 919 592	60 111 477
Shares cancelled	**(31 500 000)**	–	(60 111 477)
Shares repurchased	**3 216 769**	22 173 525	14 919 592
Balance at end of year	**8 809 886**	37 093 117	14 919 592
Percentage of issued share capital (excluding Sasol Inzalo share transaction)	**1,46%**	5,86%	2,38%

	2009 Rand	2008 Rand	2007 Rand
Average cumulative purchase price	**299,77**	295,73	245,94
Average purchase price during year	**346,45**	329,23	245,94

As at 30 June 2009, a total of 8 809 886 shares (2008 – 37 093 117 shares), representing 1,46% (2008 – 5,86%) of the issued share capital of the company, excluding shares issued in relation to the Sasol Inzalo share transaction, had been repurchased by Sasol Investment Company (Pty) Limited since 7 March 2007 at an average price of R346,45 per share (2008 – R329,23). These shares are held as treasury shares and do not carry any voting rights. In terms of a specific authority granted at a general meeting of shareholders held on 28 November 2008, the company repurchased 31 500 000 of these shares on 4 December 2008, whereupon they were cancelled and restored to authorised share capital.

At the company's annual general meeting held on 22 November 2006, the shareholders authorised the directors to undertake a general repurchase by Sasol Limited, or any of its subsidiaries, of Sasol Limited ordinary shares up to a maximum of 10% of the company's issued share capital, subject to the provisions of the Companies Act and the requirements of the JSE Limited. This authority was again renewed by shareholders at the annual general meeting held on 30 November 2007. At the annual general meeting held on 28 November 2008, shareholders renewed the directors' authority to repurchase up to 4% of the issued ordinary shares of the company. This authority will be valid until the company's next annual general meeting and will not exceed 15 months from the date of resolution.

liquidity and capital resources

	Note	2009 Rm	2008 Rm	2007 Rm
Cash generated by operating activities	49	**48 187**	34 740	28 432
Cash flow from operations	50	**37 812**	42 558	28 618
Decrease/(increase) in working capital	51	**10 375**	(7 818)	(186)
Finance income received	52	**2 264**	957	1 059
Dividends paid	53	**(7 193)**	(5 766)	(4 613)
Non-current assets sold	54	**697**	184	193
Acquisition of businesses	55	**(30)**	(431)	(285)
Disposal of businesses	56	**(770)**	693	2 200

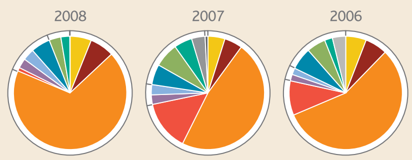
for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
49 Cash generated by operating activities				
Cash flow from operations	50	**37 812**	42 558	28 618
Decrease/(increase) in working capital	51	**10 375**	(7 818)	(186)
		48 187	34 740	28 432
50 Cash flow from operations				
Operating profit		**24 666**	33 816	25 621
Adjusted for				
amortisation of intangible assets	35	**186**	192	279
equity settled share-based payment expense	46	**3 293**	1 574	186
deferred income		**(279)**	964	1 061
depreciation of property, plant and equipment	35	**6 059**	5 020	3 743
effect of cash flow hedging activities		**–**	–	18
effect of remeasurement items	42	**1 469**	698	(1 140)
movement in impairment of trade receivables		**132**	13	(59)
movement in long-term prepaid expenses		**17**	(34)	(19)
movement in long-term provisions				
income statement charge	20	**1 377**	880	352
utilisation	20	**(537)**	(522)	(789)
movement in short-term provisions		**446**	15	(1 033)
movement in post-retirement benefit				
assets		**(181)**	(171)	(62)
obligations		**104**	294	258
realisation of foreign currency translation reserve		**–**	–	217
translation effect of foreign currency loans		**83**	459	(99)
translation of net investment in foreign operations		**(3)**	(764)	(26)
Tshwarisano guarantee issued at fair value		**–**	–	39
penalties paid on tax		**15**	19	–
write-down of inventories to net realisable value	35	**965**	105	71
		37 812	42 558	28 618

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm

50 *Cash flow from operations continued*

Business segmentation

	Note	2009 Rm	2008 Rm	2007 Rm
South African energy cluster		**32 784**	30 513	22 865
Mining		**2 437**	2 077	1 716
Gas		**2 778**	2 192	1 856
Synfuels		**27 346**	20 185	16 430
Oil		**393**	6 112	2 863
Other		**(170)**	(53)	–
International energy cluster		**2 453**	2 401	1 089
Synfuels International		**1 113**	1 157	540
Petroleum International		**1 340**	1 244	549
Chemical cluster		**2 545**	9 303	5 161
Polymers		**2 211**	2 479	1 815
Solvents		**1 348**	2 979	1 583
Olefins & Surfactants		**1 020**	2 204	657
Other		**(2 034)**	1 641	1 106
Other businesses		**30**	341	(497)
Total operations		**37 812**	42 558	28 618



51 *Decrease/(increase) in working capital*

	Note	2009 Rm	2008 Rm	2007 Rm
Decrease/(increase) in inventories				
Per the statement of financial position		**5 499**	(5 689)	(6 396)
Acquisition of businesses	55	**–**	96	–
Write-down of inventories to net realisable value		**(965)**	(105)	(71)
Transfer from other assets		**45**	96	248
Reclassification (to)/from held for sale		**(42)**	(226)	3 921
Effect of cash flow hedge accounting		**–**	7	–
Translation of foreign operations	47	**(394)**	1 558	255
Disposal of businesses	56	**–**	2	(13)
		4 143	(4 261)	(2 056)
Decrease/(increase) in trade receivables				
Per the statement of financial position		**7 662**	(8 105)	(4 331)
Acquisition of businesses	55	**(7)**	110	–
Movement in impairment		**(132)**	(13)	59
Reclassification (to)/from held for sale		**(23)**	(1)	3 358
Translation of foreign operations	47	**(373)**	1 530	134
Disposal of businesses	56	**–**	(12)	(8)
		7 127	(6 491)	(788)
Decrease/(increase) in other receivables and prepaid expenses				
Per the statement of financial position		**543**	(223)	(599)
Movement in short-term portion of long-term receivables		**245**	154	(13)
Acquisition of businesses	55	**–**	12	–
Reclassification (to)/from held for sale		**(2)**	(421)	140
Translation of foreign operations	47	**(17)**	208	(21)
Disposal of businesses	56	**–**	(1)	(58)
		769	(271)	(551)

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm

51 Decrease/(increase) in working capital *continued*

	Note	2009 Rm	2008 Rm	2007 Rm
(Decrease)/increase in trade payables and accrued expenses				
Per the statement of financial position		**(3 230)**	5 318	2 774
Acquisition of businesses	55	**–**	(152)	–
Reclassification to/(from) held for sale		**28**	525	(2 014)
Effect of cash flow hedging		**(1)**	–	–
Translation of foreign operations	47	**224**	(1 015)	(66)
Disposal of businesses	56	**–**	(4)	10
		(2 979)	4 672	704
(Decrease)/increase in other payables				
Per the statement of financial position		**414**	(432)	2 944
Acquisition of businesses	55	**–**	(1)	–
Reclassification to/(from) held for sale		**15**	159	(234)
Translation of foreign operations	47	**400**	(230)	(201)
Disposal of businesses	56	**–**	–	12
		829	(504)	2 521
Movement in financial assets and liabilities				
Long-term financial assets		**674**	(393)	(45)
Short-term financial assets		**(424)**	(239)	161
Long-term financial liabilities		**103**	–	–
Short-term financial liabilities		**133**	(331)	(132)
		486	(963)	(16)
Decrease/(increase) in working capital		**10 375**	(7 818)	(186)

52 Finance income received

	Note	2009 Rm	2008 Rm	2007 Rm
Interest received	38	**1 760**	716	788
Interest received on tax		**(3)**	(4)	(10)
Dividends received from investments	38	**27**	10	34
Dividends received from associates	8	**480**	235	247
		2 264	957	1 059

53 Dividends paid

	Note	2009 Rm	2008 Rm	2007 Rm
Final dividend – prior year		**(5 674)**	(3 597)	(2 683)
Interim dividend – current year		**(1 519)**	(2 169)	(1 930)
		(7 193)	(5 766)	(4 613)
Forecast cash flow on final dividend – current year		**3 629**		
Forecast STC charge on final dividend – current year		**354**		

The forecast cash flow on the final dividend is calculated based on the net number of ordinary shares in issue at 30 June 2009 of 637,5 million. The actual dividend payment will be determined on the record date of 16 October 2009.

54 Non-current assets sold

	Note	2009 Rm	2008 Rm	2007 Rm
Property, plant and equipment		**54**	128	
Assets under construction		**507**	8	
Other intangible assets		**136**	48	
Non-current assets sold		**697**	184	193

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
55 Acquisition of businesses				
Property, plant and equipment		**(17)**	(305)	(31)
Assets under construction		**–**	(6)	–
Intangible assets		**(3)**	(27)	(10)
Investment in associates		**–**	–	–
Inventories		**–**	(93)	–
Trade receivables		**7**	(110)	–
Other receivables and prepaid expenses		**–**	(12)	–
Short-term financial assets		**–**	(19)	–
Cash and cash equivalents		**(19)**	(19)	–
Long-term debt		**–**	257	–
Post-retirement benefit obligations		**–**	16	–
Deferred taxation		**–**	(66)	–
Short-term provisions	26	**1**	2	–
Tax payable	28	**1**	1	–
Trade payables and accrued expenses		**–**	152	–
Other payables		**–**	1	–
		(30)	(228)	(41)
Non-controlling interest		**–**	(59)	(32)
		(30)	(287)	(73)
Goodwill		**–**	(144)	(212)
Total consideration per the statement of cash flows		**(30)**	(431)	(285)
Comprising				
Oil – Exelem Aviation (Pty) Limited		**(13)**	–	–
Solvents – Sasol Dia Acrylates (Pty) Limited		**–**	(229)	–
Oil – Tosas Holdings (Pty) Limited		**–**	(110)	–
Wax – Luxco & Merkur		**–**	(87)	–
Polymers – Peroxide Chemicals (Pty) Limited		**–**	(5)	–
Nitro – Sasol Dyno Nobel (Pty) Limited		**–**	–	(221)
Other		**(17)**	–	(64)
Total consideration		**(30)**	(431)	(285)

The percentage acquired represents the percentage of voting power acquired for all acquisitions.

Acquisitions in 2009

In July 2008, Exel Petroleum (Pty) Limited acquired the remaining 50,1% of Exelem Aviation (Pty) Limited for a purchase consideration of US$1,7 million.

During 2009, Sasol acquired a hotel in Secunda, South Africa for a purchase consideration of R17 million as part of a cost savings initiative to accommodate staff members and other personnel working on the Sasol Synfuels growth initiative.

Acquisitions in 2008

With effect from 24 January 2008, Sasol Chemical Industries Limited and Mitsubishi Chemical Corporation dissolved their Acrylates joint venture in South Africa, Sasol Dia Acrylates (Pty) Limited, in terms of which Sasol Chemical Industries Limited acquired effective control thereof for a consideration of R229 million.

With effect from 31 March 2008, Sasol Oil (Pty) Limited acquired the remaining 30% of Tosas Holdings (Pty) Limited for a purchase consideration of R110 million.

During 2008, Sasol Wax acquired the remaining 50% of both Lux International Corporation and Merkur Vaseline GmbH & Co. KG for a total consideration of R87 million.

With effect from 1 January 2008, Sasol Chemical Industries Limited acquired the remaining 40% of Peroxide Chemicals (Pty) Limited for a total consideration of R5 million.

Acquisitions in 2007

During 2007, Sasol acquired Interchem Terminal FZCO and the remaining 40% of Sasol Dyno Nobel (Pty) Limited.

for the year ended 30 June	Note	2009 Rm	2008 Rm	2007 Rm
56 Disposal of businesses				
Property, plant and equipment				
cost		–	2	–
accumulated depreciation		–	–	(2)
Assets under construction		–	–	1
Long-term receivables		–	–	(13)
Assets held for sale		**3 833**	334	192
Inventories		–	(2)	13
Trade receivables		–	12	8
Other receivables and prepaid expenses		–	1	58
Cash and cash equivalents		–	31	(33)
Long-term debt		–	–	303
Deferred taxation		–	(1)	–
Liabilities in disposal groups held for sale		**(2)**	(35)	(165)
Short-term provisions	26	–	–	1
Tax payable	28	–	(2)	(2)
Trade payables and accrued expenses		–	4	(10)
Other payables		–	–	(12)
		3 831	344	339
Non-controlling interest		–	–	1 161
		3 831	344	1 500
Investment in associate retained		**(1 269)**	–	–
		2 562	344	1 500
Total consideration		**3 486**	693	2 200
		924	349	700
Provision in respect of business disposed		**(1 280)**	–	–
Realisation of accumulated translation effects		**(414)**	–	4
(Loss)/profit on disposal of businesses	42	**(770)**	349	696
Total consideration comprising				
Sasol Synfuels International – Escravos GTL		**3 486**	–	–
Nitro – Sasol Dyno Nobel (Pty) Limited		–	275	–
Wax – Paramelt RMC BV		–	251	–
Other businesses – FFS Refiners (Pty) Limited		–	147	–
Oil		–	–	1 450
Gas – Rompco		–	–	755
Other		–	20	(5)
Total consideration		**3 486**	693	2 200

56 Disposal of businesses continued

Disposals in 2009

During 2008, Sasol decided in principle that it would not continue with its 37,5% participation in the EGTL project. Following negotiations with Chevron Nigeria Limited, Sasol reduced its economic interest from 37,5% to 10% for which a consideration of R3 486 million (US$360 million) was received. Due to uncertainties that have recently arisen from the fiscal arrangements for the project, management reassessed the impact on its commitments relating to the project. This resulted in a provision of R1 280 million being recognised. The loss on the disposal as at 30 June 2009 amounted to R771 million. Sasol's retained 10% economic interest in EGTL has been recognised as an investment in an associate at its fair value on the disposal date plus additional investments and loans advanced (refer note 8).

In 2009, Sasol also disposed of other smaller investments realising a profit of R1 million.

Disposals in 2008

With effect from 17 September 2007, Sasol Nitro disposed of 50% of its investment in Sasol Dyno Nobel (Pty) Limited in South Africa to form a joint venture, realising a profit of R114 million. The investment was classified as an asset held for sale at 30 June 2007.

On 10 July 2007, Sasol Wax disposed of its 31% investment in Paramelt RMC BV, operating in The Netherlands, for a consideration of R251 million, realising a profit of R129 million. The investment was classified as an asset held for sale at 30 June 2007.

In August 2007, Sasol Investment Company (Pty) Limited disposed of its investment in FFS Refiners (Pty) Limited in South Africa, for a consideration of R147 million, realising a profit of R108 million. The investment was classified as an asset held for sale at 30 June 2007.

On 13 November 2007, Sasol Chemical Industries Limited disposed of its joint venture investment in African Amines (Pty) Limited in South Africa, realising a loss of R3 million. The investment was classified as an asset held for sale at 30 June 2007.

On 30 April 2008, Chemcity (Pty) Limited disposed of its Cirebelle business in South Africa, realising a profit of R2 million.

Disposals in 2007

With effect from 1 July 2006, a 25% interest in Republic of Mozambique Pipeline Investment Company (Pty) Limited (Rompco) was sold to Companhia de Moçambicana de Gasoduto (CMG) and a profit of R346 million was realised. CMG assumed its portion of the shareholder loan provided to Rompco.

With effect from 1 July 2006, Tshwarisano LFB Investment (Pty) Limited acquired a 25% shareholding in Sasol Oil (Pty) Limited for a consideration of R1 450 million. A profit of R315 million was realised.

In October 2006, Sasol's interest in DPI Holdings (Pty) Limited was sold to Dawn Limited and a loss of R7 million was realised.

other disclosures

at 30 June

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	Note	**Guarantees 2009 Rm**	**Liability included on statement of financial position 2009 Rm**	Guarantees 2008 Rm	Liability included on statement of financial position 2008 Rm
57 Guarantees and contingent liabilities					
57.1 Guarantees					
Performance Guarantees					
In respect of EGTL	i	**3 455**	**1 728**	2 155	197
In respect of GTL ventures	ii	**2 920**	**–**	5 676	–
Other performance guarantees	iii	**1 529**	**638**	878	528
Financial Guarantees					
Subsidiaries' financial obligations	iv	**5 141**	**21**	5 843	385
In respect of the natural gas project	v	**3 708**	**2 454**	3 868	2 872
Eurobond	vi	**3 253**	**3 253**	3 694	3 694
Guarantee in favour of Sasol Inzalo share transaction	vii	**3 103**	**3 103**	951	951
In respect of letter of credit	viii	**1 884**	**11**	2 709	494
In respect of development of retail convenience centres	ix	**1 500**	**408**	1 500	422
In respect of Natref debt	x	**1 160**	**1 159**	1 792	1 124
Other guarantees and claims	xi	**1 059**	**1**	1 186	33
In favour of BEE partners	xii	**508**	**19**	759	30
To RWE-DEA AG	xiii	**325**	**–**	370	–
Commercial paper holders	xiv	**–**	**–**	6 000	–
		29 545	**12 795**	37 381	10 730

i. Sasol Limited has issued the following significant guarantees for the obligations of its associate Escravos GTL in Nigeria, including inter alia:

A performance guarantee has been issued in respect of the construction of Escravos GTL for the duration of the investment in the associate to an amount of US$250 million (R1 933 million).

A guarantee has been issued for Sasol's portion of its commitments in respect of the fiscal arrangements relating to the Escravos GTL Project to an amount of US$166 million (R1 280 million). An amount of R1 280 million has been recognised as a provision in this regard.

A provision has been recognised in respect of a performance guarantee related to the construction of Escarvos GTL plant for an amount of US$18 million (R117 million).

A guarantee has been issued in respect of the catalyst performance to an amount of €39 million (R423 million).

57 Guarantees and contingent liabilities *continued*

57.1 Guarantees *continued*

ii. Sasol Limited has issued the following significant guarantees for the obligations of various of its subsidiaries in respect of the GTL Ventures. These guarantees relate to the construction and funding of Oryx GTL Limited in Qatar, including inter alia:

A guarantee for the take-or-pay obligations of a wholly owned subsidiary has been issued under the gas sale and purchase agreement (GSPA) entered into between Oryx GTL Limited, Qatar Petroleum and ExxonMobil Middle East Gas Marketing Limited, by virtue of this subsidiary's 49% shareholding in Oryx GTL Limited. Sasol's exposure is limited to the amount of US$123 million (R951 million). In terms of the GSPA, Oryx GTL Limited is contractually committed to purchase minimum volumes of gas from Qatar Petroleum and ExxonMobil Middle East Gas Marketing Limited on a take-or-pay basis. Should Oryx GTL terminate the GSPA prematurely, Sasol Limited's wholly owned subsidiary will be obliged to take or pay for its 49% share of the contracted gas requirements. The term of the GSPA is 25 years from the date of commencement of operations. The project was commissioned in April 2007.

Sasol Limited issued a performance guarantee for the obligations of its subsidiaries in respect of and for the duration of the investment in Sasol Chevron Holdings Limited, limited to an amount of US$250 million (R1 933 million). Sasol Chevron Holdings Limited is a joint venture between a wholly owned subsidiary of Sasol Limited and Chevron Corporation. Sasol and Chevron have reviewed and optimised their business model for co-operation regarding their GTL ambitions and have agreed, in future, to work together directly and on a case by case basis. As a result the joint venture will be dissolved and Sasol's obligation in terms of the guarantee will be void.

The completion guarantee that was issued for Sasol's portion of the project debt of Oryx GTL Limited has come to an end, as the project debt has been repaid in March 2009.

All guarantees listed above are issued in the normal course of business.

iii. Various performance guarantees issued by subsidiaries. Provisions have been recognised in relation to certain performance guarantees that were issued as part of the licensing of Sasol's GTL technology and catalyst performance in respect of Oryx GTL. The events that gave rise to these provisions are not expected to have a material effect on the economics of the group's GTL ventures. Included are performance guarantees for the development of the coal blocks in India and for a lease agreement in respect of a mobile offshore drilling rig.

iv. Guarantees issued to a financial institutions in respect of a subsidiaries' debt obligations. Included are guarantees of €462 million (R5 008 million) in respect of rolling credit facilities with various banks (debt of R21 million at 30 June 2009).

v. Guarantees have been issued to various financial institutions in respect of the obligations of its subsidiaries (Sasol Petroleum International (Pty) Limited (SPI) and Republic of Mozambique Pipeline Investment Company (Pty) Limited (Rompco)) for the natural gas project. The guarantee in respect of Rompco's obligations to the financial institutions has been reduced to 50% of the outstanding obligation upon selling a 25% interest each in Rompco to Companhia de Moçambicana de Gasoduto, S.A.R.L (CMG) and South African Gas Development Company (Pty) Limited (iGas). The liability on the statement of financial position of R2 454 million represents the gross amount owing by SPI and Rompco to the financial institutions at 30 June 2009.

vi. A guarantee has been issued in respect of the Eurobond which is listed on the Luxembourg Stock Exchange issued by its wholly owned subsidiary, Sasol Financing International plc. The outstanding debt on the statement of financial position was R3 249 million at 30 June 2009. The bond is repayable on 29 June 2010.

vii. As part of the Sasol Inzalo share transaction, the C Preference shares issued by the Sasol Inzalo Groups Funding (Pty) Limited and Sasol Inzalo Public Funding (Pty) Limited to the financing institutions are secured against a guarantee of R3 103 million.

viii. Various guarantees issued in respect of letters of credit issued by subsidiaries.

ix. Guarantees issued to various financial institutions in respect of debt facilities for the establishment of the retail convenience station network of R1 500 million. The outstanding debt on the statement of financial position was R408 million at 30 June 2009.

x. Guarantees issued in favour of various financial institutions in respect of the debt facilities of R1 160 million for the Natref crude oil refinery. The outstanding debt on the statement of financial position was R1 159 million at 30 June 2009.

xi. Included in other guarantees are customs and excise guarantees of R121 million, R217 million in respect of feedstock purchases, R135 million relating to guarantees in respect of product shipments and environmental guarantees of R158 million.

xii. In terms of the sale of 25% in Sasol Oil (Pty) Limited to Tshwarisano LFB Investment (Pty) Limited (Tshwarisano), facilitation for the financing requirements of Tshwarisano has been provided. The undiscounted exposure at 30 June 2009 amounted to R508 million. A liability for this guarantee at 30 June 2009, amounting to R19 million, has been recognised.

xiii. Various performance guarantees issued in favour of RWE-DEA AG.

xiv. A guarantee has been issued for the commercial paper facility of a wholly owned subsidiary. The commercial paper was repaid on 19 May 2008.

57 Guarantees and contingent liabilities *continued*

57.2 Product warranties

The group provides product warranties with respect to certain products sold to customers in the ordinary course of business. These warranties typically provide that products sold will conform to specifications. The group generally does not establish a liability for product warranty based on a percentage of turnover or other formula. The group accrues a warranty liability on a transaction-specific basis depending on the individual facts and circumstances related to each sale. Both the liability and the annual expense related to product warranties are immaterial to the consolidated financial statements.

57.3 Other contingencies

Subsidiaries

Sasol Limited has guaranteed the fulfilment of various subsidiaries' obligations in terms of contractual agreements.

Sasol Limited has guaranteed the borrowing facilities of certain of its subsidiaries. Further details of major banking facilities and debt arrangements at 30 June 2009 are provided on page 121.

Mineral rights

As a result of the promulgation of legislation in South Africa, the common law (mineral rights) and associated statutory competencies of Sasol Mining have been converted to interim statutory rights (Old Order Rights). Sasol Mining is entitled to convert these Old Order Rights to statutory mining and prospecting rights (New Order Rights) after complying with certain statutory requirements. All applications due to date, including the conversion of the four old order mining rights covering the Secunda operations, have been submitted to the Department of Mineral Resources (DMR), and we are awaiting approval in this regard. To date Sasol has submitted 41 applications to the DMR to acquire prospecting and mining rights. Thus far, 31 prospecting rights and 4 mining rights have been granted. These applications cover all the prospecting rights in the Free State and Waterberg as well as the prospecting and mining rights in Secunda. No value has been attributed to these rights in the financial statements.

Legal costs

Legal costs expected to be incurred in connection with loss contingencies are expensed as incurred.

57.4 Litigation

Fly Ash Plant

Sasol Synfuels is in legal proceedings with regard to the operation of a plant in Secunda. Ashcor has claimed damages of R313 million relating to their inability to develop their business and a projected loss of future cash flows. The prospect of future loss is deemed to be possible and the loss, if it occurs, is unlikely to exceed R10 million.

Nutri-Flo

In November 2003, Nutri-Flo brought an urgent application before the Competition Tribunal (the Tribunal) to interdict Sasol from implementing a new price list. By way of this application, Nutri-Flo filed a complaint in which it alleged that Sasol was engaging in price discrimination, excessive pricing and exclusionary pricing and that Sasol, Kynoch and Omnia were colluding to fix prices in the fertiliser industry. Nutri-Flo subsequently withdrew the application. However, the South African Competition Commission (the Commission) investigated the additional complaint and in May 2005 referred the complaint to the Tribunal, alleging findings of prohibited horizontal practices (namely, price fixing and the prevention or lessening of competition) and abuses of dominance (namely, charging excessive prices and engaging in exclusionary conduct), and requesting the Tribunal to impose the maximum administrative penalty in terms of the South African Competition Act 89 of 1998 (the Competition Act).

In July 2008, Sasol initiated a group-wide independent review into anti-trust/competition law compliance within its various business units. This review is ongoing and is being conducted by external legal counsel and economists. Certain findings made during this review necessitated Sasol Nitro to engage with the Commission in order to negotiate a settlement with regard to the complaints by Nutri-Flo relating to price fixing and market sharing.

In the settlement agreement concluded with the Commission, Sasol Nitro acknowledged that, in the period from 1996 to 2005, it had contravened the Competition Act by fixing prices of certain fertilisers with its competitors, by agreeing with its competitors on the allocation of customers and suppliers and to collusively tendering for supply contracts. In terms of the settlement agreement Sasol Nitro agreed to pay an administrative penalty of R250,7 million. The settlement agreement was confirmed by the Tribunal on 20 May 2009.

Sasol Nitro did not, as part of the settlement agreement, admit to engaging in price discrimination, excessive pricing or exclusionary pricing. The Competition Tribunal has consolidated the hearing of the Nutri-Flo and Profert (see below) complaints on abuses of dominance and discriminatory pricing. The hearing of these complaints is due to take place in July 2010. For these reasons, it is currently not possible to make an estimate of the contingent liability (whether arising out of penalties that may be imposed by the Competition Tribunal or civil lawsuits that may arise in the event of a finding of unlawful conduct). Sasol Nitro will, however, continue its engagement with the Commission in respect of these complaints. Nutri-Flo has indicated that should Sasol be found by the Tribunal to have committed the prohibited practises as alleged, then it intends to sue Sasol for damages in the aggregate of about R57,5 million.

57 *Guarantees and contingent liabilities* continued

57.4 Litigation continued

Sasol Wax

On 28 and 29 April 2005, the European Commission conducted an investigation at the offices of Sasol Wax International AG and its subsidiary Sasol Wax GmbH, both located in Hamburg, Germany. On 1 October 2008, the European Union found that members of the European paraffin wax industry, including Sasol Wax GmbH, formed a cartel and violated antitrust laws. A fine of €318,2 million was imposed by the European Commission on Sasol Wax GmbH (of which Sasol Wax International AG, Sasol Holdings Germany GmbH and Sasol Limited would be jointly and severally liable for €250 million). According to the decision of the European Commission an infringement of antitrust laws commenced in 1992 or even earlier. In 1995, Sasol became a co-shareholder in an existing wax business located in Hamburg, Germany owned by the Schümann group. In July 2002, Sasol acquired the remaining shares in the joint venture and became the sole shareholder of the business. Sasol was unaware of these infringements before the European Commission commenced their investigation at the wax business in Hamburg in April 2005.

On 15 December 2008, all Sasol companies to which the decision had been addressed, have lodged an appeal with the European Court of First Instance against the decision of the European Commission on the basis that the fine is excessive and should be reduced. The fine has been paid in accordance with the legal requirements on 7 January 2009. As a result of the fine imposed on Sasol Wax Europe, it is possible that customers may file claims against Sasol Wax for compensation of damages. The extent of such risk or amount of such claims cannot be determined at present.

Profert

Profert filed a complaint against Sasol in August 2004, alleging that Sasol Nitro refused to supply Profert, charged Profert discriminatory pricing in sales of limestone ammonium nitrate and engaged in exclusionary conduct to exclude Profert from the fertiliser market. In May 2006, the Commission referred the complaint to the Tribunal, alleging findings of prohibited horizontal practices (namely, entering into agreements which constructed and divided the relevant market and which substantially lessened or prevented competition in that market) and abuses of dominance (namely, refusing to supply scarce goods to competitors, discriminating on sale prices and engaging in other exclusionary acts), and requesting that the Tribunal impose the maximum administrative penalty in terms of the Competition Act.

On 4 August 2006, Sasol filed a reply to the complaint referral. The matter was set down for hearing from 3 March to 14 March 2008. However, due to Profert failing to comply in time with an order by the Competition Tribunal to disclose certain documents to Sasol's attorneys prior to the hearing, the hearing was postponed indefinitely. Preparations for the hearing are proceeding. The Commission has previously indicated that it may seek to have these proceedings heard together with those regarding Nutri-Flo. On the basis of the complaint referral in its current form, we believe that the likelihood of a finding of unlawful conduct in terms of the Competition Act is remote.

However, if these proceedings are joined with those pertaining to Nutri-Flo, then our current assessment may require review. For these reasons, it is currently not possible to make an estimate of the contingent liability (whether arising out of penalties that may be imposed by the Competition Tribunal or civil lawsuits that may arise in the event of a finding of unlawful conduct).

Sale of Phosphoric Acid production assets

In 2004, pending consideration of a merger application to the South African Competition Authorities relating to the intended sale by Sasol Nitro of its phosphoric acid production facilities to Foskor, Sasol Nitro and Foskor entered into a toll manufacturing arrangement in terms of which Sasol would toll manufacture phosphoric acid for Foskor. Following a recommendation by the Commission that the proposed merger be prohibited, the parties abandoned the merger in June 2006. The Commission however informed the parties that it is investigating whether or not there were any other unlawful agreements amounting to contraventions of the Competition Act's prohibitions on restrictive horizontal practices between Foskor and Sasol relating to the toll manufacturing arrangements.

Certain clauses in a related agreement, the Phosphoric Acid Supply Agreement, in terms of which Sasol purchased phosphoric acid from Foskor during the toll manufacturing period, were identified as possibly amounting to market division in contravention of the Competition Act. Sasol Nitro applied to the Commission for corporate leniency but the application was turned down and Sasol Nitro was subsequently informed that Foskor had already applied for, and been granted, leniency in respect of the toll manufacturing agreement and related conduct. Sasol Nitro then, as part of the settlement agreement referred to in the Nutri-Flo matter above, acknowledged that the toll manufacturing agreement and related interactions and communications between Sasol and Foskor on various levels amounted to a division of markets by allocating customers and territories with regard to phosphoric acid and its derivatives. The Commission, in its submission to the Tribunal indicated that it regarded the toll manufacturing agreement and Sasol's interaction with Foskor in various fertiliser industry committees identified in the Nutri-Flo matter as the conduct, with respect to phosphoric acid, that served to undermine competition.

Civil law suits may be instituted against Sasol arising from the admission made in the settlement agreement in relation to phosphoric acid. It is currently not possible to make an estimate of such contingent liability. With the increase in the price of phosphoric acid, Sasol elected to manufacture phosphoric acid for its own account and no longer in accordance with the aforementioned toll manufacturing arrangement. Accordingly, Sasol commenced manufacturing phosphoric acid from phosphate rock it purchases from Foskor as from 1 April 2008, when the toll manufacturing arrangement expired.

57 Guarantees and contingent liabilities *continued*

57.4 Litigation continued

Veolia Water Systems

On 15 July 2008, Veolia Water Systems issued summons against Sasol Synfuels arising from a contract concluded between Sasol Synfuels and Veolia in June 2004. The contract entailed the detailed engineering, construction and commissioning of a water desalination plant at Unit 544 of Sasol Synfuels' facilities at Secunda, South Africa. Veolia is claiming an amount of R414,6 million, excluding interest, for breach of contract from Sasol Synfuels. The claim is currently being investigated and has been defended. A counterclaim of R127,3 million is also being pursued. Despite the size of Veolia's claim they are not expected to recover more than the company's counterclaim. Unless these proceedings are curtailed by agreement through either arbitration or mediation it is expected that this action will not be finalised within the next two years.The prospect of future loss is deemed to be possible and the loss, if it occurs, is unlikely to exceed R287,3 million.

Other

From time to time Sasol companies are involved in other litigation and administrative proceedings in the normal course of business. Although the outcome of these proceedings and claims cannot be predicted with certainty, the company does not believe that the outcome of any of these cases would have a material effect on the groups financial results.

57.5 Competition matters

As announced previously, we initiated a comprehensive group-wide competition law compliance review in July 2008, which is still ongoing. We will, in the course of conducting these reviews, adopt appropriate remedial and/or mitigating steps and make disclosures on material findings as and when appropriate. The competition law compliance review has revealed and may still reveal competition law contraventions or potential contraventions in respect of which we have taken or will take appropriate remedial and/or mitigating steps including lodging leniency applications. Additionally, we have reached a settlement agreement with the Competition Commission in respect of previously disclosed matters pertaining to Sasol Nitro.

The South African Competition Commission is conducting investigations into the South African piped gas, petroleum, fertilisers, wax and polymer industries. We continue to interact and co-operate with the Competition Commission in respect of the subject matter of the leniency applications as well as in the areas that are subject to Competition Commission investigations. The company is continuing to evaluate and enhance its competition law compliance controls mainly by way of the competition law compliance review. To the extent appropriate, further announcements will be made in future.

57.6 Environmental orders

We are subject to loss contingencies pursuant to numerous national and local environmental laws and regulations that regulate the discharge of materials into the environment or that otherwise relate to the protection of human health and the environment in all locations in which it operates. These laws and regulations may, in future, require us to remediate or rehabilitate the effects of its operations on the environment. The contingencies may exist at a number of sites, including, but not limited to, sites where action has been taken to remediate soil and groundwater contamination. These future costs are not fully determinable due to factors such as the unknown extent of possible contamination, uncertainty regarding the timing and extent of remediation actions that may be required, the allocation of the environmental obligation among multiple parties, the discretion of regulators and changing legal requirements.

Our environmental obligation accrued at 30 June 2009 was R4 819 million compared to R3 460 million in 2008. Included in this balance is an amount accrued of approximately R2 117 million in respect of the costs of remediation of soil and groundwater contamination and similar environmental costs. These costs relate to the following activities: site assessments, soil and groundwater clean-up and remediation, and ongoing monitoring. Due to uncertainties regarding future costs the potential loss in excess of the amount accrued cannot be reasonably determined.

Under the agreement for the acquisition of Sasol Chemie, we received an indemnification from RWE-DEA AG for most of the costs of remediation and rehabilitation of environmental contamination existing at Condea Vista Company located in the United States on or before 1 March 2001.

Although we have provided for known environmental obligations that are probable and reasonably estimable, the amount of additional future costs relating to remediation and rehabilitation may be material to results of operations in the period in which they are recognised. It is not expected that these environmental obligations will have a material effect on the financial position of the group.

As with the oil and gas and chemical industries generally, compliance with existing and anticipated environmental, health, safety and process safety laws and regulations increases the overall cost of business, including capital costs to construct, maintain, and upgrade equipment and facilities. These laws and regulations have required, and are expected to continue to require, the group to make significant expenditures of both a capital and expense nature.

57 *Guarantees and contingent liabilities continued*

57.7 September 2004 Accident Trust

On 1 September 2004, the lives of ten employees and contractors were lost and a number of employees and contractors were injured during an explosion that occurred at our Secunda West ethylene production facilities.

The company, Solidarity, the Chemical, Energy, Paper, Printing, Wood and Allied Workers' Union and an attorney representing the unions negotiated a mechanism to pay compensation to the dependants of people that died or to people who were physically injured in the accident to the extent that they had not been previously compensated in terms of existing policies and practices. It was agreed to establish an independent trust, the September 2004 Accident Trust, to expeditiously make *ex gratia* grants to such persons. The September 2004 Accident Trust was registered on 29 June 2006. Qualifying victims of the accident were invited to submit applications for compensation. These grants were calculated in accordance with the applicable South African legal principles for the harm and loss suffered by them as a result of the accident to the extent that they had not already been compensated.

Sasol funded the September 2004 Accident Trust to pay the grants. Whilst accepting social responsibility, we did not acknowledge legal liability in creating the trust. As at 30 June 2009, a total of 172 claims had been received and finalised, resulting in payments totalling R18 million. The trust has concluded its business and will be wound up in accordance with the trust deed.

57.8 Augusta Bay Pollution Investigation

The local prosecutor's office in Augusta, Italy is investigating a pollution incident at Augusta Bay, allegedly caused by the infiltration of pollutants into the sea. The investigation involves all the companies located within the Melilli-Priolo-Augusta industrial area, which includes Sasol Italy. The Prosecutor's office and the involved companies have each appointed experts to evaluate the environmental situation which includes a broad range of ecological impacts. It is currently not clear what product is the cause of the pollution and Sasol Italy's potential involvement will only be able to be determined after collection and analysis of samples, sea sediments and sea water. In 2009, the judge has requested the experts to file their opinions within 3 months. Depending upon the final determination of environmental impacts resulting from the investigation, administrative fines or criminal penalties may be imposed on the guilty party or parties.The judge requested the court for an extension of the preliminary investigation. According to our expert, there is not a clear connection between the pollution and Sasol Italy's operations. There are indications in the view of our external lawyer that the judge intends to dismiss the case in favour of Sasol Italy, consequently no provisions have been raised.

58 *Commitments under leases*

Minimum future lease payments – operating leases

The group rents buildings under long-term non-cancellable operating leases and also rents offices and other equipment under operating leases that are cancellable at various short-term notice periods by either party.

	2009 Rm	2008 Rm	2007 Rm
Buildings and offices			
Within one year	**206**	173	134
One to two years	**203**	180	122
Two to three years	**161**	177	123
Three to four years	**134**	143	117
Four to five years	**127**	118	106
More than five years	**844**	799	803
	1 675	1 590	1 405
Equipment			
Within one year	**510**	545	310
One to two years	**324**	383	255
Two to three years	**228**	257	229
Three to four years	**189**	189	188
Four to five years	**175**	177	161
More than five years	**985**	1 023	992
	2 411	2 574	2 135

Included in operating leases for equipment is the rental of a pipeline for the transportation of gas products. The rental payments are determined based on the quantity of gas transported. The lease may be extended by either party to the lease for a further three year period prior to the expiry of the current lease term of seventeen years.

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

58 *Commitments under leases* continued

Water reticulation for Sasol Synfuels			
Within one year	**70**	32	–
One to two years	**91**	71	19
Two to three years	**100**	84	75
Three to four years	**107**	92	79
Four to five years	**113**	102	85
More than five years	**2 660**	2 971	2 690
	3 141	3 352	2 948

The water reticulation commitments of Sasol Synfuels relate to a long-term water supply agreement. The rental payments are determined based on the quantity of water consumed over the twenty year period of the lease.

Total minimum future lease payments	**7 227**	7 516	6 488

These leasing arrangements do not impose any significant restrictions on the group or its subsidiaries.

Business segmentation – minimum future operating lease payments

South African energy cluster	**4 945**	4 909	4 362
Mining	**–**	1	4
Gas	**1 495**	1 388	1 231
Synfuels	**3 145**	3 352	2 948
Oil	**305**	168	179
International energy cluster	**651**	779	609
Synfuels International	**372**	456	396
Petroleum International	**279**	323	213
Chemical cluster	**1 296**	1 422	1 082
Polymers	**202**	125	116
Solvents	**285**	387	310
Olefins & Surfactants	**459**	591	420
Other	**350**	319	236
Other businesses	**335**	406	435
	7 227	7 516	6 488

Minimum future lease payments – finance leases			
Within one year	**145**	169	144
One to two years	**146**	143	154
Two to three years	**189**	143	129
Three to four years	**135**	141	128
Four to five years	**122**	135	127
More than five years	**773**	733	849
Less amounts representing finance charges	**(715)**	(711)	(764)
	795	753	767

Contingent rentals

The group has no contingent rentals in respect of finance leases.

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm

59 *Related party transactions*

Group companies, in the ordinary course of business, entered into various purchase and sale transactions with associates and joint ventures. The effect of these transactions is included in the financial performance and results of the group. Terms and conditions are determined on an arm's length basis.

Disclosure in respect of joint ventures is provided on page 186 and of associates in note 8.

Material related party transactions were as follows

for the year ended 30 June	2009 Rm	2008 Rm	2007 Rm
Sales and services rendered to related parties			
joint ventures	**286**	1 975	1 759
associates	**1 241**	742	632
third parties	**3 188**	944	160
retirement funds	**–**	–	4
	4 715	3 661	2 555
Purchases from related parties			
joint ventures	**306**	88	135
associates	**923**	795	712
third parties	**1 820**	1 056	832
retirement funds	**408**	338	374
	3 457	2 277	2 053

Amounts owing (after eliminating intercompany balances) to related parties are disclosed in the respective notes to the financial statements for those statement of financial position items. No impairment of receivables related to the amount of outstanding balances is required.

Included in the above amounts are a number of transactions with related parties which are individually insignificant.

Identity of related parties with whom material transactions have occurred

Except for the group's interests in joint ventures and associates, there are no other related parties with whom material individual transactions have taken place.

Directors and senior management

Details of the directors' and group executive committee remuneration and the shareholding in Sasol Limited are disclosed in the remuneration report on page 46 to 56.

Shareholders

An analysis of major shareholders is provided on pages 36 and 37.

for the year ended 30 June	2009 %	2008 %	2007 %

60 *Inflation reporting*

The financial statements have not been restated to a current cost basis as the group does not operate in a hyperinflationary economy.

	2009 %	2008 %	2007 %
Consumer Price Index – South Africa	**10,2**	9,3	5,9
Producer Price Index – South Africa	**9,1**	11,5	9,8

61 *Subsidiaries with a year end different to that of the group*

Sasol Italy SpA, a wholly owned subsidiary, has a statutory year end of 31 May and is included in the consolidated financial statements up to that date. The different year end would not result in a significant effect on the consolidated financial statements.

62 *Subsequent events*

The following non-adjusting events occurred subsequent to 30 June 2009:

Joint venture agreement signed for GTL project in Uzbekistan

On 15 July 2009, Sasol signed a joint venture agreement with Uzbekneftegaz, the natural oil and gas company of Uzbekistan, and Petronas of Malaysia, and launched a feasibility study for the development and implementation of a GTL project in Uzbekistan.

Ad valorem duties

On 14 August 2009, in the Government Gazette No 32484, a change in *ad valorem* duties affecting various products in the South African chemical businesses, especially Sasol Polymers, was announced. If the full tariff reduction is applied to the turnover of the relevant businesses, it has a negative effect of approximately R400 million on operating profit.

Closure of Phalaborwa operations

On 18 August 2009, Sasol Nitro announced the possible closure of its Phalaborwa operations due to adverse market conditions.

interest in joint ventures

In accordance with the group's accounting policy, the results of joint ventures are proportionately consolidated on a line-by-line basis. The information provided below includes intercompany transactions and balances.

	Sasol GTL Rm	Polymers* Rm	Merisol Rm	Spring Lights Gas Rm	Other** Rm	**2009 Total Rm**	2008 Total Rm	2007 Total Rm
Statement of financial position								
External non-current assets	4 031	5 958	288	49	586	**10 912**	11 664	16 307
Property, plant and equipment	3 876	5 658	258	–	439	**10 231**	8 969	5 989
Assets under construction	146	120	5	–	102	**373**	2 514	10 013
Other non-current assets	9	180	25	49	45	**308**	181	305
Intercompany non-current assets	–	–	–	–	–	**–**	–	–
External current assets	993	1 260	373	64	342	**3 032**	2 878	2 210
Intercompany current assets	234	171	42	–	98	**545**	565	81
Total assets	5 258	7 389	703	113	1 026	**14 489**	15 107	18 598
Shareholders' equity	4 525	2 656	434	103	544	**8 262**	5 613	7 147
Long-term debt (interest bearing)	3	2 036	5	–	107	**2 151**	4 924	4 412
Intercompany long-term debt	373	1 118	24	–	3	**1 518**	1 115	1 006
Long-term provisions	67	–	7	–	9	**83**	58	41
Other non-current liabilities	51	134	45	–	17	**247**	324	3 452
Interest bearing current liabilities	–	596	112	–	115	**823**	1 273	924
Non-interest bearing current liabilities	207	845	40	1	185	**1 278**	1 550	1 303
Intercompany current liabilities	32	4	36	9	46	**127**	250	313
Total equity and liabilities	5 258	7 389	703	113	1 026	**14 489**	15 107	18 598
Income statement								
Turnover	2 858	3 109	766	214	1 221	**8 168**	4 784	3 618
Operating profit/(loss)	1 305	1 287	93	82	86	**2 853**	877	(30)
Other expenses	(65)	(419)	(5)	7	(20)	**(502)**	(218)	(117)
Net profit/(loss) before tax	1 240	868	88	89	66	**2 351**	659	(147)
Taxation	(76)	46	(17)	(33)	(32)	**(112)**	(123)	(80)
Attributable profit/(loss)	1 164	914	71	56	34	**2 239**	536	(227)
Statement of cash flows								
Cash flow from operations	1 622	1 711	94	119	146	**3 692**	1 552	1 532
Movement in working capital	(125)	(219)	5	(11)	48	**(302)**	(596)	198
Taxation (paid)/received	(8)	(1)	(39)	(48)	(18)	**(114)**	(55)	286
Other expenses	(67)	(442)	(1)	(7)	(25)	**(542)**	(891)	(661)
Cash available from operations	1 422	1 049	59	53	151	**2 734**	10	1 355
Dividends paid	(258)	–	(70)	(36)	–	**(364)**	(134)	(28)
Cash retained from operations	1 164	1 049	(11)	17	151	**2 370**	(124)	1 327
Cash flow from investing activities	(294)	(283)	–	(6)	(160)	**(743)**	(659)	(3 496)
Cash flow from financing activities	(631)	(360)	(13)	18	37	**(949)**	938	2 242
Decrease/(increase) in cash requirements	239	406	(24)	29	28	**678**	155	73

* *Comprising Arya Sasol Polymers Company and Petlin.*

** *Includes Sasol Dyno Nobel, Sasol Fibres, Sasol Huntsman, Sasol Lurgi, Sasol Oil Petromoc and Sasol Yihai.*

At 30 June 2009, the group's share of the total capital commitments of joint ventures amounted to R590 million (2008 – R675 million; 2007 – R4 128 million).

The GTL businesses results are associated with the GTL project in Qatar and the evaluation of other projects in accordance with the group's strategy. The Escravos GTL (EGTL) joint venture, included as part of the Sasol GTL business in 2007, was classified as an asset held for sale in 2008. Consequently, EGTL was no longer proportionally consolidated as a joint venture. In December 2008, Sasol reduced its interest in EGTL from 37,5% to 10%. The 10% interest retained by Sasol has been recognised as an investment in an associate at its fair value at the date of the disposal. It has therefore been excluded from the 2008 and 2009 results above.

financial risk management and financial instruments

Introduction

The group is exposed to liquidity, credit, foreign currency, interest rate and commodity price risks arising from its financial instruments.
The group executive committee (GEC) has the overall responsibility for the establishment and oversight of the group's risk management framework. The GEC established the risk and safety, health and environment committee, which is responsible for providing the board with the assurance that significant business risks are systematically identified, assessed and reduced to acceptable levels. A comprehensive risk management process has been developed to continuously monitor and control these risks. The Sasol group has a central treasury function that manages the financial risks relating to the group's operations. The group business committee, a sub-committee of the GEC consisting of the managing directors of the business units and functional core representatives, meets regularly to review and, if appropriate, approve the implementation of optimal strategies for the effective management of financial risks. The committee reports on a regular basis to the GEC on its activities.

Risk profile

Risk management and measurement relating to each of these risks is discussed under the headings below. The group's objective in using derivative instruments is for hedging purposes to reduce the uncertainty over future cash flows arising from foreign currency, interest rate and commodity price risk exposures.

Liquidity risk

Liquidity risk is the risk that an entity in the group will be unable to meet its obligations as they become due. The group manages liquidity risk by effectively managing its working capital, capital expenditure and cash flows, making use of a central treasury function to manage pooled business unit cash investments and borrowing requirements. Currently the group is maintaining a positive cash position, conserving the group's cash resources through renewed focus on working capital improvement and capital reprioritisation. The group meets its financing requirements through a mixture of cash generated from its operations and, short- and long-term borrowings. Adequate banking facilities and reserve borrowing capacities are maintained (refer note 18).The Sasol group is in compliance with all of the financial covenants per its loan agreements, none of which is expected to present a material restriction on funding or its investment policy in the near future. The group has sufficient undrawn borrowing facilities, which could be utilised to settle obligations.

The maturity profile of the contractual cash flows of financial instruments at 30 June were as follows:

	Note	**Con-tractual cash flows* Rm**	Within one year Rm	One to two years Rm	Two to three years Rm	Three to four years Rm	Four to five years Rm	More than five years Rm
2009								
Financial assets								
Loans and receivables		**35 913**	34 490	13	8	8	350	1 044
Long-term receivables	10	**1 835**	412	13	8	8	350	1 044
Trade receivables	14	**12 499**	12 499	–	–	–	–	–
Other receivables	15	**907**	907	–	–	–	–	–
Cash restricted for use	17	**1 247**	1 247	–	–	–	–	–
Cash	17	**19 425**	19 425	–	–	–	–	–
Investments available-for-sale								
Investments in securities	7	**264**	77	–	–	–	–	187
Investments held-to-maturity								
Investments in securities	7	**387**	–	–	–	–	–	387
Non-derivative instruments		**36 564**	34 567	13	8	8	350	1 618
Derivative instruments								
Forward exchange contracts		**6 581**	6 351	222	5	–	–	3
Cross currency swaps		**1 647**	1 647	–	–	–	–	–
Interest rate derivatives		**1**	–	–	1	–	–	–
		44 793	42 565	235	14	8	350	1 621
Financial liabilities								
Non-derivative instruments		**(33 162)**	(18 910)	(984)	(1 247)	(1 164)	(1 223)	(9 634)
Long-term debt		**(18 604)**	(4 352)	(984)	(1 247)	(1 164)	(1 223)	(9 634)
Short-term debt	24	**(490)**	(490)	–	–	–	–	–
Trade payables and accrued expenses	29	**(9 229)**	(9 229)	–	–	–	–	–
Other payables	30	**(4 759)**	(4 759)	–	–	–	–	–
Bank overdraft	17	**(80)**	(80)	–	–	–	–	–
Financial guarantees[1]		**(733)**	(733)	–	–	–	–	–
		(33 895)	(19 643)	(984)	(1 247)	(1 164)	(1 223)	(9 634)
Derivative instruments								
Forward exchange contracts		**(6 933)**	(6 605)	(320)	(5)	–	–	(3)
Cross currency swaps		**(1 209)**	(1 209)	–	–	–	–	–
Commodity derivatives		**(3)**	(3)	–	–	–	–	–
		(42 040)	(27 460)	(1 304)	(1 252)	(1 164)	(1 223)	(9 637)

	Note	Contractual cash flows* Rm	Within one year Rm	One to two years Rm	Two to three years Rm	Three to four years Rm	Four to five years Rm	More than five years Rm
2008								
Financial assets								
Loans and receivables		**28 335**	27 003	12	324	282	285	429
Long-term receivables	10	**1 499**	167	12	324	282	285	429
Trade receivables	14	**19 672**	19 672	–	–	–	–	–
Other receivables	15	**1 915**	1 915	–	–	–	–	–
Cash restricted for use	17	**814**	814	–	–	–	–	–
Cash	17	**4 435**	4 435	–	–	–	–	–
Investments available-for-sale								
Investments in securities	7	**288**	78	–	–	–	–	210
Investments held-to-maturity								
Investments in securities	7	**347**	–	–	–	–	–	347
Non-derivative instruments		**28 970**	27 081	12	324	282	285	986
Derivative instruments								
Forward exchange contracts		**7 408**	7 223	185	–	–	–	–
Cross currency swaps		**2 790**	1 206	1 584	–	–	–	–
Interest rate derivatives		**49**	8	41	–	–	–	–
Commodity derivatives		**31**	31	–	–	–	–	–
		39 248	35 549	1 822	324	282	285	986
Financial liabilities								
Non-derivative instruments		**(36 693)**	(20 396)	(4 895)	(1 463)	(1 516)	(1 485)	(6 938)
Long-term debt		**(17 514)**	(1 217)	(4 895)	(1 463)	(1 516)	(1 485)	(6 938)
Short-term debt	24	**(2 375)**	(2 375)	–	–	–	–	–
Trade payables and accrued expenses	29	**(12 413)**	(12 413)	–	–	–	–	–
Other payables	30	**(3 477)**	(3 477)	–	–	–	–	–
Bank overdraft	17	**(914)**	(914)	–	–	–	–	–
Financial guarantees[1]		**(965)**	(965)	–	–	–	–	–
		(37658)	(21 361)	(4 895)	(1 463)	(1 516)	(1 485)	(6 938)
Derivative instruments								
Forward exchange contracts		**(7 190)**	(7 026)	(164)	–	–	–	–
Cross currency swaps		**(2 129)**	(920)	(1 209)	–	–	–	–
		(46 977)	(29 307)	(6 268)	(1 463)	(1 516)	(1 485)	(6 938)

* *The amount disclosed in the contractual cash flows is the future undiscounted value. Where a derivative is linked to an index, the amount payable or receivable has been based on the forward rates at the reporting date. Foreign exchange contracts and cross currency swaps are settled on a gross basis, while all other derivatives are net settled. For gross settled derivatives, the cash outflow has been included in financial liabilities, while the cash inflow is included in financial assets.*

1. *Issued financial guarantees contracts are all repayable on demand, however the likelihood of default is considered remote. Refer to note 57.1.*

The expected future timing of the recycling of derivatives used for hedging on the income statement at 30 June were as follows:

	Carrying value Rm	Within one year Rm	One to two years Rm	Two to three years Rm	Three to four years Rm	Four to five years Rm	More than five years Rm
2009							
Derivative instruments – cash flow hedges							
Financial assets	**15**	14	–	1	–	–	–
Financial liabilities	**26**	25	–	–	–	–	1
2008							
Derivative instruments – cash flow hedges							
Financial assets	**277**	85	10	9	9	9	155
Financial liabilities	**29**	22	1	–	–	–	6

Credit risk

Credit risk, or the risk of financial loss due to counterparties not meeting their contractual obligations, is managed by the application of credit approvals, limits and monitoring procedures. Where appropriate, the group obtains collateral to mitigate risk. Counterparty credit limits are in place and are reviewed and approved by the respective subsidiary credit management committees. The central treasury function provides credit risk management for the group-wide exposure in respect of a diversified group of banks and other financial institutions. These are evaluated regularly for financial robustness especially in the current global economic environment. Management has evaluated treasury counterparty risk and does not expect any treasury counterparties to fail in meeting their obligations.

Trade and other receivables consist of a large number of customers spread across diverse industries and geographical areas. The exposure to credit risk is influenced by the individual characteristics, the industry and geographical area of the counterparty with whom we have transacted. Trade and other receivables are carefully monitored for impairment. No single customer represents more than 10% of the group's total turnover or more than 10% of total trade receivables for the years ended 30 June 2009 and 2008. Approximately 50% (2008 – 52%) of the group's total turnover is generated from sales within South Africa, while about 23% (2008 – 22%) relates to European sales. Approximately 53% (2008 – 49%) of the amount owing in respect of trade receivables is from counterparties in South Africa, while Eurpoean receivables amount to about 25% (2008 – 29%). The group does not typically renegotiate terms of trade receivables, however if renegotiation does take place, the outstanding balance is included in the analysis based on renegotiated payment terms.

Credit risk exposure in respect of long-term receivables and trade receivables is further analysed in notes 10 and 14, respectively. The carrying value represents the maximum credit risk exposure.

The group has provided guarantees for the financial obligations of subsidiaries, joint-ventures and third parties. The outstanding guarantees at 30 June 2009 are provided in note 57.1.

The carrying value of the investments available-for-sale, investments held-to-maturity and derivative instrument financial assets represents the maximum credit risk exposure.

Market risk

Market risk is the risk arising from possible market price movements and their impact on the future cash flows of the business. The market price movements that the group is exposed to include foreign currency exchange rates, interest rates and oil and natural gas (commodity price risk). The group has developed policies aimed at managing the volatility inherent in these exposures which are discussed in the risks below.

Foreign currency risk

The group's transactions are predominantly entered into in the respective functional currency of the individual operations. However, the group's operations utilise various foreign currencies on sales, purchases and borrowings and consequently, are exposed to exchange rate fluctuations that have an impact on cash flows and financing activities. These operations are exposed to foreign currency risk in connection with contracted payments in currencies not in their individual functional currency. The translation of foreign operations to the presentation currency of the group is not taken into account when considering foreign currency risk. Foreign currency risks are managed through the group's financing policies and the selective use of forward exchange contracts, cross currency swaps and cross currency options. Forward exchange contracts are utilised primarily to reduce foreign currency exposure arising from imports into South Africa. Forward cover is required on both capital expenditure and imports (payables) in excess of US$ 50 000. Any forward exchange contract resulting in exposure of R100 million or more requires the pre-approval of the GEC. South African exports (receivables) are uncovered. The group also makes use of customer foreign currency accounts, where needed.

All forward exchange contracts are supported by underlying commitments or transactions.

The following significant exchange rates applied during the year:

	Average rate		Closing rate	
	2009	2008	**2009**	2008
Rand/Euro	**12,31**	10,77	**10,84**	12,34
Rand/US dollar	**9,04**	7,30	**7,73**	7,83
Rand/Pound sterling	**14,42**	14,62	**12,72**	15,61

The fair value (losses)/gains calculated below were determined by recalculating the daily forward rates for each currency using a forward rate interpolator model. The net market value of all forward exchange contracts at year end was then calculated by comparing the forward exchange contracted rates to the equivalent year end market foreign exchange rates. The present value of these net market values were then calculated using the appropriate currency specific discount curve.

The following forward exchange contracts and cross currency swaps were held at 30 June:

	Contract foreign currency amount 2009 million	Contract amount – Rand equivalent 2009 Rm	Average rate of exchange 2009 (calculated)	Estimated fair value (losses)/ gains 2009 Rm	Contract foreign currency amount 2008 million	Contract amount – Rand equivalent 2008 Rm	Average rate of exchange 2008 (calculated)	Estimated fair value (losses)/ gains 2008 Rm
Forward exchange contracts								
Related to transactions which have already occurred								
Derivative instruments – cash flow hedges								
Imports – capital								
Euro	10	127	12,76	(5)	26	312	12,20	6
US dollar	1	7	9,23	–	11	85	7,98	–
Pound sterling	–	2	13,61	–	–	–		–
Other currencies – US dollar equivalent	13	106	8,20	(6)	–	–		–
		242		(11)		397		6
Imports – goods								
Euro	–	–		–	2	26	12,11	1
US dollar	–	–		–	17	133	8,01	(4)
Pound sterling	–	–		–	–	7	15,61	–
		–		–		166		(3)
Exports								
US dollar	4	41	9,23	6	2	15	7,86	–
Other payables (liabilities)								
Euro	1	6	10,84	–	–	–		–
Other receivables (assets)								
Euro	–	–		–	64	787	12,22	2
Derivative instruments – held for trading								
Imports – capital								
US dollar	1	6	9,94	–	21	168	7,95	–
Imports – goods								
Euro	1	6	11,96	(1)				
US dollar	50	405	8,09	(18)	165	1 315	7,96	(20)
Pound sterling	4	49	12,49	1	–	–		–
		460		(18)		1 315		(20)
Exports								
Euro					3	35	12,96	2
US dollar	39	313	8,01	12	88	699	7,91	(1)
Pound sterling	4	48	12,03	(3)	4	54	15,51	–
Other currencies – US dollar equivalent	5	35	7,85	1	9	89	9,41	2
		396		10		877		3
Other payables (liabilities)								
Euro	44	556	12,53	(58)	8	98	12,21	2
US dollar	3	23	7,71	–	8	65	7,83	–
Other currencies – US dollar equivalent	–	1	4,62	(1)	–	–		–
		580		(59)		163		2
Other receivables (assets)								
Euro	48	585	12,13	70	–	–		–
US dollar	12	112	9,22	6	57	447	7,89	20
		697		76		447		20

	Contract foreign currency amount 2009 million	Contract amount – Rand equivalent 2009 Rm	Average rate of exchange 2009 (calculated)	Estimated fair value (losses)/ gains 2009 Rm	Contract foreign currency amount 2008 million	Contract amount – Rand equivalent 2008 Rm	Average rate of exchange 2008 (calculated)	Estimated fair value (losses)/ gains 2008 Rm
Forward exchange contracts								
Related to future commitments								
Derivative instruments – cash flow hedges								
Imports								
Euro	171	2 224	13,00	(77)	108	1 278	11,88	176
US dollar	131	1 339	10,18	(22)	7	59	8,36	–
Pound sterling	1	6	13,79	–	1	8	16,04	–
Other currencies – US dollar equivalent	6	47	8,59	(5)	16	128	7,88	7
		3 616		(104)		1 473		183
Exports								
US dollar	–	–		–	1	4	8,14	–
Other payables (liabilities)								
Euro	13	165	12,48	(23)	7	80	11,43	7
US dollar	63	518	8,28	(33)	140	1 112	7,93	15
		683		(56)		1 192		22
Derivative instruments – held for trading								
Imports								
Euro	26	320	12,17	(14)	–	–	–	–
US dollar	148	1 333	9,00	(160)	5	57	7,86	–
Other currencies – US dollar equivalent	2	14	7,73	(1)	1	–	0,07	2
		1 667		(175)		57		2
Exports								
Euro	1	11	10,97	–	–	–	–	–
US dollar	3	23	7,72	–	–	–	–	–
Other currencies – US dollar equivalent	1	4	7,72	–	–	–	–	–
		38		–		–		–
Other payables (liabilities)								
Euro	15	205	13,66	(20)	3	36	12,56	–
US dollar	7	60	8,88	(8)	7	62	7,88	1
Pound sterling	1	18	13,65	(3)	–	2	15,51	–
Other currencies – US dollar equivalent	2	14	7,96	(2)				
		297		(33)		100		1
Other receivables (assets)								
Euro	–	–		–	1	17	12,38	–
US dollar	1	5	8,35	–	5	37	7,84	–
		5		–		54		–
Cross currency swaps								
Derivative instruments – held for trading								
Euro to Rand	150	1 209	8,06	438	225	2 129	9,48	660

The maturity profile of contract amounts of forward exchange contracts and cross currency swaps at 30 June were as follows:

	Contract amount Rm	Within one year Rm	One to two years Rm	Two to three years Rm
2009				
Forward exchange contracts				
Related to transactions which have already occurred				
Imports – capital				
Euro	**127**	127	–	–
US dollar	**13**	13	–	–
Pound sterling	**2**	2	–	–
Other currencies – US dollar equivalent	**106**	106	–	–
	248	248	–	–
Imports – goods				
Euro	**6**	6	–	–
US dollar	**405**	405	–	–
Pound sterling	**49**	49	–	–
	460	460	–	–
Exports				
Euro	**–**	–	–	–
US dollar	**354**	354	–	–
Pound sterling	**48**	48	–	–
Other currencies – US dollar equivalent	**35**	35	–	–
	437	437	–	–
Other payables (liabilities)				
Euro	**562**	355	207	–
US dollar	**23**	23	–	–
Other currencies – US dollar equivalent	**1**	1		
	586	379	207	–
Other receivables (assets)				
Euro	**585**	584	1	–
US dollar	**112**	112	–	–
	697	696	1	–
Related to future commitments				
Imports				
Euro	**2 544**	2 412	128	4
US dollar	**2 672**	2 353	319	–
Pound sterling	**6**	6	–	–
Other currencies – US dollar equivalent	**61**	61	–	–
	5 283	4 832	447	4
Exports				
Euro	**11**	11	–	–
US dollar	**23**	23	–	–
Other currencies – US dollar equivalent	**4**	4	–	–
	38	38	–	–
Other payables (liabilities)				
Euro	**370**	370	–	–
US dollar	**578**	578	–	–
Pound sterling	**18**	15	3	–
Other currencies – US dollar equivalent	**14**	14	–	–
	980	963	3	–
Other receivables (assets)				
US dollar	**5**	5	–	–
Cross currency swaps				
Euro to Rand	**1 209**	1 209	–	–

	Contract amount Rm	Within one year Rm	One to two years Rm
2008			
Forward exchange contracts			
Related to transactions which have already occurred			
Imports – capital			
Euro	**312**	312	–
US dollar	**253**	253	–
	565	565	–
Euro	**26**	26	–
US dollar	**1 448**	1 448	–
Pound sterling	**7**	7	–
	1 481	1 481	–
Exports			
Euro	**35**	35	–
US dollar	**714**	714	–
Pound sterling	**54**	54	–
Other currencies – US dollar equivalent	**89**	89	–
	892	892	–
Other payables (liabilities)			
Euro	**98**	98	–
US dollar	**65**	65	–
	163	163	–
Other receivables (assets)			
Euro	**787**	787	–
US dollar	**447**	447	–
	1 234	1 234	–
Related to future commitments			
Imports			
Euro	**1 278**	1 120	158
US dollar	**116**	116	–
Pound sterling	**8**	8	–
Other currencies – US dollar equivalent	**128**	122	6
	1 530	1 366	164
Exports			
US dollar	**4**	4	–
Other payables (liabilities)			
Euro	**116**	116	–
US dollar	**1 174**	1 174	–
Pound sterling	**2**	2	–
	1 292	1 292	–
Other receivables (assets)			
Euro	**17**	17	
US dollar	**37**	37	–
	54	54	–
Cross currency swaps			
Euro to Rand	**2 129**	920	1 209

Exposure to currency risk

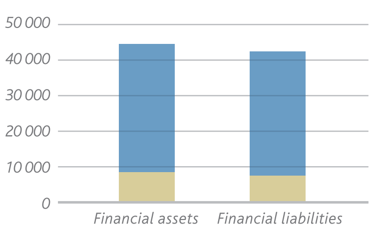
The group's exposure to foreign currency risk, converted to rand at the year end exchange rates, was as follows:

	Total Rm	Euro Rm	US dollar Rm	Pound sterling Rm	Rand Rm	Other Rm
2009						
Investment in securities	–	–	–	–	–	–
Long-term receivables	1 450	1 017	432	–	–	1
Trade receivables	2 603	304	1 792	94	17	396
Other receivables	124	3	75	10	–	36
Cash restricted for use	697	468	203	3	–	23
Cash	3 445	979	2 061	39	145	221
Long-term debt	(2 623)	(2 476)	(131)	(3)	(13)	–
Short-term debt	(3 271)	(3 249)	(22)	–	–	–
Trade payables and accrued expenses	(1 134)	(120)	(967)	(31)	(16)	–
Other payables	(365)	(160)	(162)	(34)	(9)	–
Bank overdraft	(3)	(1)	–	–	–	(2)
Exposure on external balances	923	(3 235)	3 281	78	124	675
Net exposure on balances between group companies	9 062	8 301	986	(3)	(208)	(14)
Exposure on non-derivative instruments	9 985	5 066	4 267	75	(84)	661
Foreign exchange contracts	5 321	2 509	2 652	27	–	133
Cross currency swaps	(1 626)	(1 626)	–	–	–	–
Total exposure	13 680	5 949	6 919	102	(84)	794

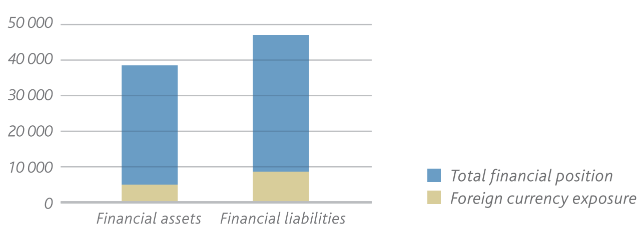
	Total Rm	Euro Rm	US dollar Rm	Pound sterling Rm	Rand Rm	Other Rm
2008						
Investment in securities	1	–	–	–	–	1
Long-term receivables	1	–	–	–	–	1
Trade receivables	2 634	437	2 002	85	14	96
Other receivables	445	230	121	12	–	82
Cash restricted for use	279	224	12	4	9	30
Cash	1 458	367	794	28	82	187
Long-term debt	(6 799)	(5 923)	(138)	(4)	(717)	(17)
Short-term debt	(371)	(358)	(13)	–	–	–
Trade payables and accrued expenses	(1 220)	(103)	(876)	(19)	(30)	(192)
Other payables	(133)	(17)	(69)	(9)	(6)	(32)
Bank overdraft	(11)	–	–	–	–	(11)
Exposure on external balances	(3 716)	(5 143)	1 833	97	(648)	145
Net exposure on balances between group companies	12 110	10 756	(697)	32	1 892	127
Exposure on non-derivative instruments	8 394	5 613	1 136	129	1 244	272
Foreign exchange contracts	2 880	1 049	1 811	(34)	–	54
Cross currency swaps	(2 771)	(2 771)	–	–	–	–
Total exposure	8 503	3 891	2 947	95	1 244	326

Financial assets and liabilities foreign currency exposure to the total financial position including inter-company balances *(R million)*

2009



2008



Sensitivity analysis

A 10 percent strengthening of the rand on the group's exposure to foreign currency risk at 30 June would have decreased/(increased) either the equity or the income statement by the amounts below before the effect of tax. This analysis assumes that all other variables, in particular interest rates, remain constant and has been performed on the same basis for 2008.

	2009		2008	
	Equity Rm	**Income statement Rm**	Equity Rm	Income statement Rm
Euro	**211**	**384**	97	292
US dollar	**147**	**545**	135	160
Pound sterling	**1**	**9**	1	8
Rand	**–**	**(8)**	–	124
Other currencies	**14**	**65**	–	33

A 10 percent weakening in the rand against the above currencies at 30 June would have the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

Exposure to interest rate risk on financial assets and liabilities is monitored on a continuous and proactive basis. The debt of the group is structured on a combination of floating and fixed interest rates. The benefits of fixing or capping interest rates on the group's various financing activities are considered on a case-by-case and project-by-project basis, taking the specific and overall risk profile into consideration. For further details on long-term debt refer note 18 and note 10 for long-term receivables.

At the reporting date, the interest rate profile of the group's interest-bearing financial instruments was:

	Carrying value	
	2009 Rm	2008 Rm
Variable rate instruments		
Financial assets	**22 416**	6 788
Financial liabilities	**(10 185)**	(10 408)
	12 249	(4 257)
Fixed rate instruments		
Financial assets	**24**	2
Financial liabilities	**(7 629)**	(9 046)
	(7 625)	(9 044)
Interest profile (variable: fixed rate as a percentage of total interest bearing)	**81:19**	66:34

Cash flow sensitivity for variable rate instruments

A change of one percent in interest rates at the reporting date would have increased/(decreased) equity and the income statement by the amounts shown below before the effect of tax. This analysis assumes that all other variables, in particular foreign currency rates, remain constant and has been performed on the same basis for 2008.

	Income statement	
	1% increase Rm	1% decrease Rm
30 June 2009		
Variable rate instruments	**122**	**(122)**
30 June 2008		
Variable rate instruments	(43)	43

The following interest rate derivative contracts were in place at 30 June:

	Contract amount – Rand equivalent 2009 Rm	Average fixed rate 2009 %	Expiry 2009	Estimated fair value gains 2009 Rm	Contract foreign currency amount 2008 million	Contract amount – Rand equivalent 2008 Rm	Estimated fair value gains 2008 Rm
Interest rate derivatives							
Derivative instruments – cash flow hedges							
Pay fixed rate receive floating rate							
Rand	688	7,4	15/12/09	–	–	813	50
Derivative instruments – held for trading							
Interest rate cap or collar (relating to long-term debt)							
Rand – cap	1 033	17,5	03/10/11	–	–	–	–
Rand – cap	2 022	15,9	03/10/11	1	–	–	–
	3 055			1	–	–	–

The maturity profile of gross contract amounts of interest rate derivatives at 30 June were as follows:

	Contract amount Rm	Within one year Rm	One to two years Rm
Interest rate derivatives			
2009			
Pay fixed rate receive floating rate			
Rand	688	688	–
2008			
Pay fixed rate receive floating rate			
Rand	813	125	688

Commodity price risk

The group makes use of derivative instruments, including commodity swaps, options and futures contracts of short duration as a means of mitigating price and timing risks on crude oil purchases and sales. In effecting these transactions, the business units concerned operate within procedures and policies designed to ensure that risks, including those relating to the default of counterparties, are minimised. For the year under review, the strategy was to hedge the equivalent of approximately 30% of Sasol Synfuels' production (16,4 million barrels) and 30% of Sasol Petroleum International's West Africa output (550 000 barrels). These zero cost collar hedges have been used to mitigate the risk of substantial volatility in the oil prices in the past and their suitability for the future oil hedge strategy is monitored on a regular basis.

Dated Brent crude prices applied during the year:

	2009 US$	2008 US$
High	**143,95**	139,98
Average	**68,14**	95,51
Low	**39,41**	33,73

The following commodity derivative contracts were in place at 30 June:

	Contract foreign currency amount 2009 million	**Contract amount – Rand equivalent 2009 Rm**	**Average price 2009 US$**	**Estimated fair value losses 2009 Rm**	Contract foreign currency amount 2008 million	Contract amount – Rand equivalent 2008 Rm	Average price 2008 US$	Estimated fair value gains 2008 Rm
Commodity derivatives								
Derivative instruments – cash flow hedges								
Futures								
Crude oil (US dollar)	**10**	**76**	**70,01**	**(1)**	19	147	140,53	–
Derivative instruments – held for trading								
Futures								
Crude oil (US dollar)	**38**	**295**	**70,29**	**(2)**	88	685	133,76	31

The high crude oil prices seen over the recent years are expected to decline over the next ten years. For every US$1/b increase in the average crude oil price, group operating profit increased by approximately R572 million during 2009 (2008: R402 million).

The average crude oil price achieved during 2009 was cushioned by the effect of the oil hedges during the year which resulted in a net gain of R4 605 million. The recognition of the fair value of the oil hedges resulted in an unrealised fair value loss of R2 million at the end of the year owing to the significant decrease in crude oil prices from 2008.

The maturity profile of contract amounts of commodity derivatives at 30 June were as follows:

	Contract amount 2009 Rm	**Within one year 2009 Rm**	Contract amount 2008 Rm	Within one year 2008 Rm
Commodity derivatives				
Futures				
Crude oil	**371**	**371**	832	832

Sensitivity analysis

A 10 percent increase of the commodity prices at 30 June would have increased the fair value of commodity derivatives recognised in other operating costs in the income statement or as a cash flow hedge reserve in the statement of changes in equity by the amounts shown below, before the effect of tax. This analysis assumes that all other variables remain constant and should not be considered predictive of future performances. The calculation has been performed on the same basis for 2008.

	2009 Rm	2008 Rm
Crude oil	**–**	3

A 10 percent decrease in the commodity prices at 30 June would have the equal but opposite effect on the fair value amounts shown above, on the basis that all other variables remain constant.

Fair value and carrying value summary of financial assets and liabilities

		2009	
	Note	**Fair value Observable market data Rm**	**Carrying value Rm**
Financial assets			
Loans and receivables			
Long-term receivables	10	**1 835**	**1 456**
Trade receivables	14	**12 499**	**12 499**
Other receivables	15	**1 864**	**1 864**
Cash restricted for use	17	**1 247**	**1 247**
Cash	17	**19 425**	**19 425**
Investments available-for-sale			
Investments in securities*	7	**264**	**264**
Investments held-to-maturity			
Investments in securities	7	**387**	**387**
Derivative instruments			
Cash flow hedges		**14**	**14**
Held for trading		**521**	**521**
		38 056	**37 677**
Financial liabilities			
Financial liabilities measured at amortised cost			
Long-term debt	18	**(16 273)**	**(13 615)**
Short-term debt	24	**(4 762)**	**(4 762)**
Trade payables and accrued expenses	29	**(9 229)**	**(9 229)**
Other payables	30	**(4 759)**	**(4 759)**
Bank overdraft	17	**(80)**	**(80)**
Financial guarantees		**(34)**	**(34)**
Derivative instruments			
Cash flow hedges		**(9)**	**(9)**
Held for trading		**(488)**	**(488)**
		(35 634)	**(32 976)**

* *The fair value of the unlisted equity investments cannot be determined as there is no observable market price information available on these investments. The fair value of these instruments is measured at cost less impairment losses (refer to note 7).*

statement of financial position

at 30 June

	Note	2009 Rm	2008 restated Rm	2007 Rm
Assets				
Investments in subsidiaries	2	**35 254**	35 811	22 212
Investment in security	3	**5**	3	2
Long-term financial assets	4	**14 043**	12 807	–
Long-term receivables	5	**2 678**	1 086	–
Deferred tax asset	6	**–**	–	5
Non-current assets		**51 980**	49 707	22 219
Other receivables	7	**19 449**	1 913	185
Tax receivable	14	**–**	4	4
Cash and cash equivalents	8	**14**	6	4
Current assets		**19 463**	1 923	193
Total assets		**71 443**	51 630	22 412
Equity and liabilities				
Shareholders' equity		**70 277**	50 403	21 225
Long-term debt	9	**1 057**	1 120	1 058
Long-term financial liabilities	10	**29**	26	36
Long-term provision	11	**5**	–	–
Non-current liabilities		**1 091**	1 146	1 094
Short-term financial liability	12	**1**	8	1
Short-term provision	13	**2**	1	–
Trade and other payables	15	**72**	72	92
Current liabilities		**75**	81	93
Total equity and liabilities		**71 443**	51 630	22 412

income statement

for the year ended 30 June

	Note	2009 Rm	2008 restated Rm	2007 Rm
Operating (loss)/profit	16	**(2 633)**	(1 456)	1 202
Finance income	18	**35 596**	18 540	3 844
Finance expenses	19	**(1)**	(4)	(1)
Profit before tax		**32 962**	17 080	5 045
Taxation	20	**–**	(5)	(101)
Profit for year		**32 962**	17 075	4 944

statement of comprehensive income

for the year ended 30 June

	Note	2009 Rm	2008 restated Rm	2007 Rm
Profit for year		**32 962**	17 075	4 944
Other comprehensive income, net of tax	21			
Investment available-for-sale		**2**	1	–
Total comprehensive income for year		**32 964**	17 076	4 944

statement of changes in equity

for the year ended 30 June

	Note	2009 Rm	2008 restated Rm	2007 Rm
Share capital	22			
Balance at beginning of year		**20 176**	3 628	3 634
Shares issued on implementation of share options		**155**	475	332
Shares issued on Sasol Inzalo share transation		**6 927**	16 161	–
Shares repurchased and cancelled		**(198)**	–	(338)
Share issue costs		**(35)**	(88)	–
Balance at end of year		**27 025**	20 176	3 628
Share-based payment reserve				
Balance at beginning of year		**2 540**	966	780
Share-based payment expense		**3 293**	1 574	186
Balance at end of year		**5 833**	2 540	966
Retained earnings				
Balance at beginning of year		**27 685**	16 630	30 277
Effective share cancellation		**(7 680)**	–	(13 968)
Comprehensive income for year		**32 962**	17 075	4 944
Dividends paid	26	**(15 552)**	(6 020)	(4 623)
Balance at end of year		**37 415**	27 685	16 630
Investment fair value reserve				
Balance at beginning of year		**2**	1	1
Comprehensive income for year		**2**	1	–
Balance at end of year		**4**	2	1
Shareholders' equity		**70 277**	50 403	21 225

statement of cash flows

for the year ended 30 June

	Note	2009 Rm	2008 restated Rm	2007 Rm
Cash (utilised in)/generated by operating activities	23	**(17 719)**	(1 846)	2 675
Finance income received		**34 124**	18 425	3 842
Finance expenses paid		**(1)**	–	(1)
Tax received/(paid)	14	**4**	–	(35)
Cash available from operating activities		**16 408**	16 579	6 481
Dividends paid	26	**(15 552)**	(6 020)	(4 623)
Cash retained from operating activities		**856**	10 559	1 858
Investments in subsidiaries		**(6 471)**	(13 428)	(3 807)
Long-term receivable		**(1 361)**	(1 066)	–
Proceeds on disposal of businesses	27	**–**	–	1 614
Cash utilised in investing activities		**(7 832)**	(14 494)	(2 193)
Share capital issued		**7 082**	4 025	332
Costs on implementation of Sasol Inzalo share transaction		**(35)**	(88)	–
Long-term debt repaid		**(63)**	–	–
Cash effect of financing activities		**6 984**	3 937	332
Increase/(decrease) in cash and cash equivalents		**8**	2	(3)
Cash and cash equivalents				
at end of year	8	**14**	6	4
at beginning of year		**6**	4	7
Increase/(decrease) in cash and cash equivalents		**8**	2	(3)

notes to the financial statements

for the year ended 30 June

	2009 Rm	2008 Rm	2007 Rm
1 Restatement of comparative information			
During 2008, the interest received on the notional vendor funding was accounted for as taxable income in the tax computation, however this interest is exempt. The 2008 income statement and statement of financial position have been restated accordingly.			
The effect of the restatement on the statement of financial position is as follows:			
Shareholders' equity			
Balance as previously reported		50 383	
Taxation overprovision		20	
Restated balance		50 403	
Tax receivable/(payable)			
Balance as previously reported		(16)	
Taxation overprovision		20	
Restated balance		4	
The effect of the restatement on the income statement is as follows:			
Profit for year			
Balance as previously reported		17 055	
Taxation overprovision		20	
Restated balance		17 075	
2 Investments in subsidiaries			
Reflected as non-current assets			
Shares at cost	**13 683**	1 600	1 600
Share-based payment expenses	**1 752**	904	687
Long-term loans to subsidiaries	**19 819**	33 307	19 925
	35 254	35 811	22 212
Reflected as current assets			
Short-term loans to subsidiaries (refer note 7)	**19 446**	1 895	161
Reflected as non-current liabilities			
Long-term loans from subsidiaries (refer note 9)	**(1 057)**	(1 120)	(1 058)
Reflected as current liabilities			
Short-term loans from subsidiaries (refer note 15)	**(44)**	(56)	(81)
Net investments at cost	**53 599**	36 530	21 234

Investments in subsidiaries are accounted for at cost.

In terms of Sasol's group funding policy, subsidiaries are funded by way of equity from the holding company as well as long-term interest free loans. These long-term loans granted by the holding company are considered to form part of the permanent capital structure of the subsidiaries and therefore are not deemed to form part of the debt of the subsidiary. The long-term loans are unsecured and there are no fixed terms of repayment.

For further details of interests in subsidiaries and incorporated joint ventures, refer page 214.

	2009 Rm	2008 Rm	2007 Rm
3 *Investment in security*			
Investment available-for-sale at fair value			
Long-term investment – unlisted	**5**	3	2
Fair value			
Balance at beginning of year	**3**	2	2
Revaluation to fair value	**2**	1	–
Balance at end of year	**5**	3	2
The investment in security comprises 1 077 261 ordinary shares of R1,00 each in Business Partners Limited. This shareholding represents 0,6% of that company's issued share capital.			
Fair value of investment available-for-sale			
The fair value of the investment is estimated based on the market value of the security.			
4 *Long-term financial assets*			
Sasol Inzalo share transaction			
Sasol Inzalo Employee Trusts	**10 253**	9 314	
The Sasol Inzalo Foundation	**3 790**	3 493	
	14 043	12 807	
The long-term financial assets consist of:			
Notional vendor funding of 25,2 million ordinary Sasol Limited shares for the benefit of certain employees in the Sasol group.			
Notional vendor funding of 9,5 million ordinary Sasol Limited shares for skills development and capacity building of black South Africans.			
Interest bearing status			
Sasol Inzalo Employee Trusts	**11,5%***	11,5%*	
The Sasol Inzalo Foundation	**11,5%***	11,5%*	
* *The interest rate is per the pre-determined formula as stipulated in the notional vendor funding agreements.*			
Maturity profile			
More than five years	**14 043**	12 807	
Fair value of long-term financial assets			
The fair value of long-term financial assets approximates the carrying value.			

	2009 Rm	2008 Rm	2007 Rm
5 *Long-term receivables*			
Sasol Inzalo share transaction			
Sasol Inzalo Groups Funding (Pty) Limited	**1 202**	1 086	
Sasol Inzalo Public Funding (Pty) Limited	**1 476**	–	
	2 678	1 086	
The long-term receivable consists of D preference shares as part of funding the Selected Participants and the Black Public invitations.			
Interest bearing status			
Interest bearing at 73% of the prime overdraft rate	**8,03%**	11,31%	
Maturity profile			
More than five years	**2 678**	1 086	
The interest and amount owing on these preference shares are repayable on maturity in October 2018.			
Fair value of long-term receivable	**2 457**	1 086	
The fair value of the long-term receivables is determined using a discounted cash flow method using market related rates at 30 June.			
The long-term receivable has not been impaired as there has not been a significant or prolonged decline in its fair value below its cost.			
6 *Deferred tax asset*			
Reconciliation			
Balance at beginning of year	**–**	5	107
Current year charge per income statement	**–**	(5)	(108)
Disposal of operating business	**–**	–	6
Balance at end of year	**–**	–	5
Arising from the following temporary difference			
Assessed loss	**–**	–	5

The deferred tax asset has been recognised to the extent that it is probable that the company will generate future taxable income against which the tax losses can be utilised.

	2009 Rm	2008 Rm	2007 Rm
7 *Other receivables*			
Related party receivables			
Deposit with Sasol Financing (Pty) Limited	**19 386**	1 880	161
Intercompany receivables	**60**	15	–
	19 446	1 895	161
Other receivables	**3**	18	24
	19 449	1 913	185
Fair value of other receivables The carrying amount approximates fair value because of the short period to maturity of these receivables.			
8 *Cash and cash equivalents*			
Cash – per statement of cash flows	**14**	6	4
Fair value of cash and cash equivalents The carrying value of cash and cash equivalents approximates fair value due to the short period to maturity.			
9 *Long-term debt*			
Total long-term debt	**1 057**	1 120	1 058
Analysis of long-term debt			
At amortised cost – intercompany debt	**1 057**	1 120	1 058
Reconciliation			
Balance at beginning of year	**1 120**	1 058	1 057
Loans repaid	**(63)**	–	–
Loans raised	**–**	62	1
Balance at end of year	**1 057**	1 120	1 058

The unsecured long-term debt comprised interest free loans from subsidiaries for which there are no fixed terms of repayment.

Fair value of long-term debt
The fair value of long-term debt approximates the carrying value of the debt.

	2009 Rm	2008 Rm	2007 Rm
10 Long-term financial liabilities			
Financial guarantees recognised	**42**	40	39
Less amortisation of financial guarantees	**(12)**	(6)	(2)
	30	34	37
Short-term portion (refer note 12)	**(1)**	(8)	(1)
Arising on long-term financial instruments	**29**	26	36

The long-term financial liabilities consist of:

The fair value of a guarantee issued in favour of Standard Bank of South Africa Limited as a result of the disposal of 25% of Sasol Limited's investment in its wholly owned subsidiary Sasol Oil (Pty) Limited on 1 July 2006 (refer note 27.2). The carrying value of this guarantee at 30 June 2009 is R19 million.

The fair value of a guarantee issued on 27 June 2008 in respect of the C preference shares issued to various financiers as part of the Sasol Inzalo share transaction (refer to the Sasol limited consolidated annual financial statements). The carrying value of this guarantee at 30 June 2009 is R4 million.

The fair value of a guarantee issued on 8 September 2008 in respect of the C preference shares issued to various financiers as part of the Sasol Inzalo share transaction (refer to the Sasol Limited consolidated annual financial statements). The carrying value of this guarantee at 30 June 2009 is R7 million.

	2009 Rm	2008 Rm	2007 Rm
Fair value of long-term financial liabilities The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. The interest rates used range between 11,2% and 12,6% (2008: 12,18% and 11,2%).	**22**	33	39

11 Long-term provision

	2009 Rm	2008 Rm	2007 Rm
Reconciliation			
Balance at beginning of year	**–**	–	–
Income statement charge	**7**	1	–
Balance at end of year	**7**	1	–
Less short-term portion	**2**	1	–
Long-term provision	**5**	–	–
Comprising			
Share appreciation rights	**7**	–	–
Expected timimg of future cash flows			
Within one year	**2**	1	–
One to two years	**2**	–	–
Two to three years	**1**	–	–
Three to four years	**1**	–	–
Four to five years	**1**	–	–
	7	1	–

	2009 Rm	2008 Rm	2007 Rm
12 Short-term financial liability			
Short-term portion of long-term financial liabilities (refer note 10)	**1**	8	1
13 Short-term provision			
Employee provision	**2**	1	–
Reconciliation			
Balance at beginning of year	**1**	–	–
Transferred to accounts payable	**(1)**	–	–
Short-term portion of long-term provision (refer note 11)	**2**	1	–
Balance at end of year	**2**	1	–

	2009 Rm	2008 Restated Rm	2007 Rm
14 Tax received/(paid)			
Amount receivable/(payable) at beginning of year	**4**	4	(38)
Income tax per income statement	**–**	–	7
	4	4	(31)
Tax receivable per statement of financial position	**–**	(4)	(4)
Per the statement of cash flows	**4**	–	(35)
Comprising			
South African normal tax	**4**	–	(35)

	2009 Rm	2008 Rm	2007 Rm
15 Trade and other payables			
Intercompany payables	**44**	56	81
Other payables	**27**	16	–
Trade payables	**1**	–	11
	72	72	92
Age analysis of trade payables			
Not past due date	**1**	–	11

Fair value of trade and other payables
The carrying value approximates fair value because of the short period to maturity.

	2009 Rm	2008 Rm	2007 Rm
16 Operating (loss)/profit			
Operating (loss)/profit includes			
Auditor's remuneration – audit fees	**(1)**	(1)	(3)
Directors' remuneration	**(7)**	(16)	(13)
– total remuneration	**(43)**	(65)	(45)
– paid by subsidiaries	**36**	49	32
Employee costs	**(39)**	(30)	–
Management fee paid to subsidiary	**(62)**	(45)	(35)
Share-based payment expenses (refer note 17)	**(2 449)**	(1 357)	–
Profit on disposal of business (refer note 27.2)	**–**	–	1 324
17 Share-based payment expenses			
Sasol Share Incentive Scheme	**7**	–	
Sasol Share Appreciation Rights Scheme	**7**	–	
Sasol Inzalo share transaction	**2 435**	1 357	
	2 449	1 357	
Full disclosure is provided in the consolidated annual financial statements.			
18 Finance income			
Dividends received			
South Africa	**34 121**	18 422	3 840
Amortisation of financial guarantee	**4**	6	2
Interest received			
South Africa	**1 471**	112	2
	35 596	18 540	3 844
Interest received on			
loans and receivables – long-term financial assets	**1 237**	108	–
– long-term receivables	**231**	1	–
– external	**1**	–	2
bank accounts	**2**	3	–
	1 471	112	2
19 Finance expenses			
Notional interest	**–**	4	–
Other	**1**	–	1
	1	4	1

	2009 Rm	2008 Restated Rm	2007 Rm
20 Taxation			
South African normal tax			
prior years	–	–	7
Deferred tax			
current year	–	(5)	(108)
	–	(5)	(101)
Reconciliation of effective tax rate	%	%	%
Total income tax expense differs from the amount computed by applying the South African normal tax rate to income before tax. The reasons for these differences are			
South African normal tax rate	28,0	28,0	29,0
Increase in rate of tax due to			
share-based payment expenses	2,1	2,2	–
utilisation of STC credits	–	–	2,3
other disallowed expenditure	0,1	0,1	0,6
	30,2	30,3	31,9
Decrease in rate of tax due to			
prior year adjustments	–	–	(0,2)
utilisation of STC credits	–	–	–
exempt other income	(30,2)	(30,3)	(29,7)
Effective tax rate	–	–	2,0

	2009 Rm	2008 Rm	2007 Rm
21 Other comprehensive income			
Components of other comprehensive income			
Gain on revaluation of investment	2	1	–
Other comprehensive income for year, net of tax	2	1	–

	Number of shares	Number of shares	Number of shares
22 Share capital			
Authorised	1 175 000 000	1 175 000 000	1 175 000 000
Issued	665 880 862	676 711 298	627 696 148

For further details of share capital, refer note 45 in the consolidated annual financial statements.

		2009 Rm	2008 Rm	2007 Rm
23	***Cash (utilised in)/generated by operating activities***			
	Cash flow from operations (refer note 24)	**(183)**	(98)	(83)
	(Increase)/decrease in working capital (refer note 25)	**(17 536)**	(1 748)	2 758
		(17 719)	(1 846)	2 675
24	***Cash flow from operations***			
	Operating (loss)/profit	**(2 633)**	(1 456)	1 202
	Adjusted for			
	fair value of guarantee issued	**–**	–	39
	profit on disposal of business	**–**	–	(1 324)
	share-based payment expenses	**2 449**	1 357	–
	movement in short-term provision	**1**	1	–
		(183)	(98)	(83)
25	***(Increase)/decrease in working capital***			
	(Increase)/decrease in other receivables per statement of financial position	**(17 536)**	(1 728)	2 827
	Decrease in short-term financial asset per statement of financial position	**–**	–	29
	Decrease in trade and other payables per statement of financial position	**–**	(20)	(98)
		(17 536)	(1 748)	2 758
26	***Dividends paid***			
	Final dividend – prior year			
	– external shareholders	**(5 674)**	(3 597)	(2 683)
	– subsidiary company	**(8 054)**	(118)	–
	– related parties – Inzalo	**(74)**	–	–
	Interim dividend – current year			
	– external shareholders	**(1 519)**	(2 169)	(1 930)
	– subsidiary company	**(22)**	(136)	(10)
	– related parties – Inzalo	**(209)**	–	–
		(15 552)	(6 020)	(4 623)

	2009 Rm	2008 Rm	2007 Rm

27 Disposal of businesses

27.1 With effect from 1 July 2006, the company disposed of its management services business at book value to a newly formed, wholly owned subsidiary, Sasol Group Services (Pty) Limited, for a consideration of R164 million.

	2009 Rm	2008 Rm	2007 Rm
Assets			326
Deferred tax asset			6
Trade and other receivables			313
Cash and cash equivalents			7
Liabilities			
Trade and other payables			(162)
Consideration			164

27.2 With effect from 1 July 2006, the company disposed of 25% of its investment in its wholly owned subsidiary Sasol Oil (Pty) Limited to Tshwarisano LFB Investment (Pty) Limited, for a consideration of R1 450 million.

	2009 Rm	2008 Rm	2007 Rm
Investment in subsidiary			
cost			126
profit realised			1 324
Consideration			1 450
Total consideration on disposal of businesses			1 614

28 Guarantees and contingent liabilities

	2009 Rm	2008 Rm	2007 Rm
Guarantees and claims	36 486	46 406	31 784

The company has guaranteed the fulfilment of various subsidiaries' obligations in terms of contractual agreements. For further details of guarantees and contingent liabilities, refer note 57 of the consolidated annual financial statements.

interest in significant operating subsidiaries

Name	Nature of business		Nominal issued share capital	Interest %	Investment at cost 2009 Rm	Investment at cost 2008 Rm	Long-term loans to subsidiaries 2009 Rm	Long-term loans to subsidiaries 2008 Rm
Operating subsidiaries								
Direct								
Sasol Mining (Pty) Limited	Coal mining activities.	Rm	215	100	**456**	456	**122**	31
Sasol Synfuels (Pty) Limited	Production of liquid fuels, gases, chemical products and refining of tar acids.	Rm	100	100	**676**	676	**–**	518
Sasol Technology (Pty) Limited	Engineering services, research and development and technology transfer.	Rm	1	100	**1**	1	**1 384**	827
Sasol Financing (Pty) Limited	Management of cash resources, investment and procurement of loans for South African operations.	R	200	100	**–**	–	**5 454**	3 647
Sasol Investment Company (Pty) Limited	Holding company of the group's foreign investments and investment in movable and immovable property.	R	300	100	**12 083**	–	**266**	17 545
Sasol Chemical Industries Limited	Production and marketing of mining explosives, gases, petrochemicals and fertilisers.	R	152	100	**–**	–	**7 516**	5 792
Sasol Gas Holdings (Pty) Limited	Holding company of the group's gas interests.	R	100	100	**–**	–	**–**	537
Sasol Oil (Pty) Limited	Marketing of fuels and lubricants.	R	1 200	75	**378**	378	**–**	–

and incorporated joint ventures

Name	Nature of business		Nominal issued share capital	Interest %
Operating subsidiaries				
Indirect				
Chemcity (Pty) Limited	Supporting empowered Small and Medium Manfacturing Enterprises' requirements in order to enable them to thrive in the chemical industry.	R	477	100
The Republic of Mozambique Pipeline Investment Company (Pty) Limited	Owning and operating of the natural gas transmission pipeline between Temane in Mozambique and Secunda in South Africa for the transportation of natural gas produced in Mozambique to markets in Mozambique and South Africa.	Rm	10	50
Sasol Chemicals Europe Limited[a]	Marketing and distribution of chemical products.	GBP	20 000	100
Sasol Chemicals Pacific Limited[b]	Marketing and distribution of chemical products.	HKD	10 000	100
Sasol Chemical Holdings International (Pty) Limited	Investment in the Sasol Chemie group.	R	520	100
Sasol Financing International Plc[d]	Management of cash resources, investment and procurement of loans for operations outside South Africa.	US$	1 001	100
Sasol Gas Limited	Marketing, distribution and transportation of pipeline gas and the maintenance and operation of pipelines used for the transportation of various types of gas.	R	1 000	100
Sasol Germany GmbH[e]	Production, marketing and distribution of waxes and wax related products.	Euro m	70	100
Sasol Group Services (Pty) Limited	Supplier of functional core and shared services to the Sasol group of companies.	R	100	100
Sasol Italy SpA[f]	Trading and transportation of oil products, petrochemicals and chemical products and their derivatives.	Euro m	23	100
Sasol North America Inc.[c]	Manufacturing of commodity and special chemicals.	US$m	393	100
Sasol Oil International Limited[d] *	Buying and selling of crude oil.	US$	1	100
Sasol Petroleum International (Pty) Limited	Exploration, production, marketing and distribution of petroleum and natural gas.	R	100	100
Sasol Polymers International Investments (Pty) Limited	Holding company of Sasol Polymers foreign investments.	R	100	100
Sasol Synfuels International (Pty) Limited	Conversion and marketing of liquid fuels and chemical products.	R	100	100
Sasol Wax International Aktiengesellschaft[e]	Holding company of the Sasol Wax operations.	Euro m	33	100
National Petroleum Refiners of South Africa (Pty) Limited	Refining of crude oil.	Rm	128	64

* *The investment in the company is held by Sasol Oil (Pty) Limited, a subsidiary in which Sasol Limited has a 75% shareholding, thereby reducing their effective interest held in the company.*

interest in significant operating subsidiaries and incorporated joint ventures *continued*

Name	Nature of business		Nominal issued share capital	Interest %
Incorporated joint ventures				
Indirect				
Arya Sasol Polymer Company[g]	Production of polyethylene.	Rial m	800	50
Merisol LP[c]	Production, marketing and distribution of phenolics.	US$m	69	50
Sasol Chevron Holdings Limited[h]	Management of the group's joint venture interests with Chevron corporation.	US$	12 000	50
Sasol-Huntsman GmbH & Co KG[e]	Production and marketing of maleic anhydride.	Euro m	20	50
Oryx GTL Limited (Q.S.C.)[i]	Manufacturing and marketing of synthetic fuels from gas.	US$m	896	49
Petlin (Malaysia) Sdn. Bhd[j]	Manufacturing and marketing of low-density polyethylene pellets.	RM m	52	40
Spring Lights Gas (Pty) Limited	Marketing of pipeline gas in the Durban South area.	R	1 000	49

Except as indicated below, all companies are registered in the Republic of South Africa.

Foreign registered companies

(a) Registered in the United Kingdom. Share capital stated in Pound sterling.
(b) Registered in Hong Kong. Share capital stated in Hong Kong dollars.
(c) Registered in the United States of America. Share capital stated in United States dollars.
(d) Registered in the Isle of Man. Share capital stated in United States dollars.
(e) Registered in Germany. Share capital stated in Euro.
(f) Registered in Italy. Share capital stated in Euro.
(g) Registered in Iran. Share capital stated in Rials.
(h) Registered in Bermuda. Share capital in United States dollars.
(i) Registered in Qatar. Share capital in United States dollars.
(j) Registered in Malaysia. Share capital in Malaysian ringgets.

The company's interest in the aggregate profits and losses of subsidiaries amounts to R21 679 million (2008 – R25 639 million) profits and R6 966 million (2008 – R1 167 million) losses.

The group maintains a register of all subsidiaries and incorporated joint ventures, available for inspection at the registered office of Sasol Limited.

contact information

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Assistance with AGM queries and proxy forms:
Telephone: +27(0) 11 370 5511
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Shareholder enquiries
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Depositary bank

The Bank of New York Mellon
Depositary Receipts Division
101 Barclay Street
New York 10286, New York

Direct purchase plan

The Bank of New York Mellon maintains a sponsored dividend reinvestment and direct purchase programme for Sasol's depositary receipts. As a participant in Global BuyDIRECT^{sm}, investors benefit from the direct ownership of their depositary receipts, the efficiency of receiving corporate communications directly from the depositary receipt issuer, and the savings resulting from the reduced brokerage and transaction costs. Additional information is available at www.globalbuydirect.com.

Questions or correspondence about Global BuyDIRECT^{sm} should be addressed to:

The Bank of New York Mellon
Investor Relations, PO Box 11258
Church Street Station, New York
New York 10286-1258

Toll-free telephone for US Global BuyDIRECT^{sm} participants:
1-888-BNY-ADRS
Telephone for international callers: 212-815-3700
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Website: www.bnymellon.com/shareowner

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about this report

Annual financial statements 2009

Sasol's reporting aims to provide a balanced, understandable, complete and easily comparable view of our business. Alongside the ongoing stakeholder interaction and communication expected of a responsible organisation committed to accountability, Sasol produces a suite of reporting publications.

FIN AR The annual financial statements, together with a separate publication entitled the annual review and summarised financial information 2009, comprise Sasol's 2009 annual report.

Stakeholders are advised to read the annual financial statements in conjunction with:

AR **Annual review and summarised financial information 2009**
Including the chairman's statement and the chief executive's report, as well as cluster and business reviews.

20F **Form 20-F**
Our annual report under the Securities Exchange Act of 1934 on Form 20-F to be filed with the United States Securities and Exchange Commission during October 2009.

SD **Sustainable development report 2009**
Produced in accordance with Global Reporting Initiative (GRI) guidelines.

These reports provide a complete view of the group's strategy, businesses, performance against objectives, and prospects.

A complete annual report and Form 20-F is available on our website (www.sasol.com) or may be obtained from the Sasol group corporate affairs department. Contact details are printed on page 217 of this report.

Stakeholders are advised to refer to the important information about the forward-looking statements used in this report, below.

Forward-looking statements

In this document we make certain statements that are not historical facts and relate to analyses and other information which are based on forecasts of future results and estimates of amounts not yet determinable. These statements may also relate to our future prospects, developments and business strategies. Examples of such forward-looking statements include, but are not limited to, statements regarding exchange rate fluctuations, volume growth, increases in market share, total shareholder return and cost reductions. Words such as "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavour" and "project" and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. If one or more of these risks materialise, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated. You should understand that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors are discussed more fully in our most recent annual report under the Securities Exchange Act of 1934 on Form 20-F filed on 7 October 2008 and in other filings with the United States Securities and Exchange Commission. The list of factors discussed therein is not exhaustive; when relying on forward-looking statements to make investment decisions, you should carefully consider both these factors and other uncertainties and events. Forward-looking statements apply only as of the date on which they are made, and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Note on measurement: Besides applying barrels (b) and cubic metres (Mm3) for reporting on oil and gas reserves and production, Sasol applies Système International (SI) metric measures for all global operations. A ton (also spelt as tonne) denotes one metric ton equivalent to 1 000 kilograms (kg) or about 2 200 imperial pounds. Sasol's reference to a metric ton should not be confused with an imperial ton equivalent to 2 240 pounds (or about 1 016 kg). In addition, in line with a particular South African distinction under the auspices of the South African Bureau of Standards (SABS), all Sasol global reporting emanating from South Africa uses the decimal comma (eg, 3,5) instead of the more familiar decimal point (eg, 3.5) used in the UK, USA and elsewhere. Similarly, a hard space is used to distinguish thousands in numeric figures (eg, 2 500) instead of a comma (eg, 2,500). **A billion is defined as 1 000 million.**

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